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1975 Annual Report
MACLEAN HUNTER

1975 Maclean-Hunter Annual Report

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Revenue	\$151,678,000	\$132,309,000	14.6
Consolidated net income before Extraordinary items	6,084,000	5,264,000	15.6
Extraordinary items	191,000	1,196,000	(84.0)
Consolidated net income	5,893,000	4,068,000	44.9
Consolidated net income as a percentage of revenue	3.9%	3.1%	25.8
Dividends paid	2,443,000	2,415,000	1.2
Percentage of consolidated net income	41.5%	59.4%	(30.1)
Earnings per share – Class A and B	72.4¢	50.6¢	43.1
Dividends per share – Class A and B	30.0¢	30.0¢	–
Net flow of funds from operations	16,139,000	12,854,000	25.6
Net flow of funds from operations per share	\$1.98	\$1.60	23.8
At the year end			
Total consolidated assets	112,454,000	102,721,000	9.5
Total long-term debt	26,545,000	28,942,000	(8.3)
Number of Class A and B shares outstanding	8,150,300	8,113,800	0.4
Shareholders' equity per share	\$3.69	\$3.25	13.5
Number of shareholders	1,218	1,246	(2.2)
Number of employees	3,993	3,971	0.6

As a Canadian national communications company, Maclean-Hunter has two responsibilities: to produce a profit, and to help unite Canada.

We are pleased to report that we met both responsibilities in 1975.

Revenue in 1975 was \$151,678,000 and consolidated net income was \$6,084,000, which was reduced to \$5,893,000 after a \$191,000 extraordinary item, the write-off of Maclean-Hunter Cable TV's investment in Phasecom Inc.

We like to feel that we fulfilled our second responsibility by continuing to serve all Canadians, French and English, rural and urban, with integrity and distinction. Maclean-Hunter recognizes the major

trust Canada has placed in our hands.

In recent years, we have acquired some operations outside of Canada, which are described in this report. But 92% of our sales revenues are derived from our operations in Canada. We have ventured into other countries for three reasons: to obtain desirable diversification; to maintain closer contact with new trends in publishing; and to extend to other areas some of the experience and "know how" we have gained.

The postal strike during the last quarter of 1975 reduced what our overall earnings for the year would have been. However, the experience gained through the postal strike has prepared us better for future strikes. The post of-

fice is vital to our business. At the same time, we now know there are many things we can do to keep our publications and other materials flowing during a strike.

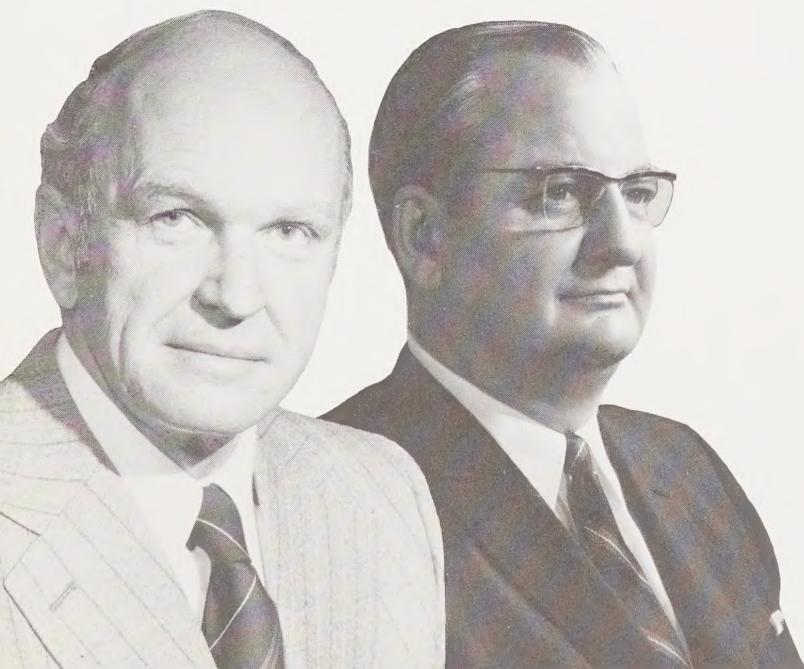
The Anti-Inflation Board was a necessary response by our government. Maclean-Hunter supports the principle of the Anti-Inflation Board on a short-term basis. Although the AIB's regulations are not yet completely clear, we feel the action by the government has had a positive effect on the Canadian economy.

Because we do not have large inventories, and because we feel the AIB will restrain inflation, we have chosen again this year not to change our accounting procedures to account for inflation.

During 1976, the company has undergone a shift of control from Mr. Donald F. Hunter and his family to the Maclean-Hunter Limited Board of Directors. The success of this change of control was subject to a number of conditions, which have all been met. As a result of this change of control, the company will continue with its program of planned, orderly growth.

Maclean-Hunter's most important asset, and the one which does not adequately show in the financial statements, is our people. The growth of our company, the quality of our products, and the contribution we make to this country is testimony to the success we have had in building our staff. We wish to thank all Maclean-Hunter personnel for their considerable contribution to the company during 1975. This annual report has been prepared not only for our shareholders, but also for our employees, as they should also be fully aware of their success.

DIRECTORS' REPORT



Donald G. Campbell, President / Donald F. Hunter, Chairman

REVIEW OF 1975

Maclean-Hunter Limited is a Canadian-based communications company operating primarily in Canada, serving both French- and English-speaking Canadians. Although publishing remains our foundation, we have diversified significantly since the early 1960s, and are now into many areas of the communications business including broadcasting, cable television, business forms printing, and book publishing.

In terms of size, we are well down the list, somewhere between the 150th and 200th largest company in Canada, depending on the terms of measurement. Yet because of the prominence Maclean-Hunter products enjoy in most Canadian homes and businesses, we are sometimes perceived as being large. We are accurate in describing ourselves as a medium-sized Canadian company, but we are highly visible and diversified.

Maclean-Hunter Limited and its subsidiaries employed roughly 4,000 persons during 1975, up only marginally over 1974.

This report places emphasis on the profit centres at Maclean-Hunter. As important, however, are the company's many service units. The people working in accounting, stenographic services, credit, mailing, maintenance, and so on, are at the foundation of the success Maclean-Hunter has enjoyed. Their contribution to the profit and the smooth operation of the company is significant, and appreciated.

Profit performance. In 1974, we reported that there were

four major components of the company which failed to show a profit. They were: Co-operative Book Centre of Canada, Metro Toronto News Company, Macmillan Company of Canada, and Maclean-Hunter Communications. We are pleased to report that all four produced a profit in 1975. In fact, all major components of Maclean-Hunter produced a profit during the year.

Postal strike. We had expected a very strong fourth quarter, but this was reduced because of the 42-day postal strike during October and November. Although revenues were lost, we came out of the strike better than we anticipated.

Started in 1975. Following is a list of profit centres which were started during 1975:

DIRECTORS



Top row: Frederick T. Metcalf

Floyd S. Chalmers

Paul S. Deacon

Lloyd M. Hodgkinson

George W. Gilmour

Edward Nymark

■ BRAD Classified (British publication)

■ Client Publication Services (Canadian service)

■ Construction Today/Middle East (Middle East publication)

■ Design-Ease System (Canadian service)

■ Floor Covering News (Canadian publication)

■ Fraser's Construction and Building Directory (Canadian publication)

■ Home Goods Retailing (South African publication)

■ International Printing, Plastics and Promotion Exhibition (South African Show)

■ Media Daten, A.G. (50%-owned Zurich-based publication)

■ National Boat Book (U.S. publication)

■ Travel Industry Directory

(Canadian publication)

Purchased in 1975. Here is a list of those publications and services we purchased during 1975:

■ Canadian Communications Reports (Canadian newsletter)

■ Canadian Interconnection (Canadian newsletter)

■ Troup Publications Ltd. (British company which publishes Heating & Air Conditioning Journal)

■ Equipment News Ltd. (British subsidiary of Troup Publications which publishes Domestic Heating News and Lighting Equipment News)

■ Suburban Cablevision (75%-owned by Maclean-Hunter Cable TV)

Discontinued in 1975. Following are properties we discontinued during the year:

■ CFOR, Orillia (sold our 50% interest)

■ M-H Travel (Canadian service)

■ M-H Video (Canadian service)

■ Routes (British publication)

Ad/non-ad revenues. With our program of diversification, 59% of our revenues in 1975 were from non-advertising sources, and 41% were from advertising-based sources. This compares with 58% and 42% respectively in 1974. In 1970, only 35% of our revenues were from non-advertising sources, with the remaining 65% from advertising-related sources. It is in the company's best interests to continue to reduce its dependence on national advertising, for many years its major source of in-

come.

Corporate financing. Our debt position decreased by \$2,270,000 to \$27,521,000 during the year. Our position would have been roughly \$2,000,000 better had it not been for the postal strike during the fall of 1975.

Floyd S. Chalmers. Floyd S. Chalmers was among five persons named to the Canadian News Hall of Fame during 1975. Mr. Chalmers joined The Financial Post in 1919 and served M-H as president from 1952 to 1964, and as Chairman of the Board until his retirement in 1969. He remains a director.

1976. Our plans for 1976 include moderate expansion, and increasing refinement of the businesses we are now involved in. The company will continue to grow, starting some new ventures and acquiring others. We believe the responsible job we have done in the areas of broadcasting and cable television will be recognized by the Canadian Radio-television and Telecommunications Commission (CRTC).

Organization. Maclean-Hunter is organized internally on the basis of many separate profit centres. Sometimes they overlap, and occasionally they compete. This annual report reflects this. For example, not only do we have a Trade Shows Division, but our Business Publications Division is also involved in trade shows, although to a much smaller extent. We believe that although a division may have a specialty, its growth need not be limited to that specialty.



Doris Anderson

Lorne R. Clark

John M. Holton

Peter C. Newman

Robert W. Robertson

Arthur J. Little

BUSINESS PUBLICATIONS

Many speak about the "new" trend today toward specialized publishing. Maclean-Hunter has been publishing highly specialized magazines called business publications throughout its entire 89-year history. These business and professional publications serve select readers in specific industries from coast to coast.

Revenues increased 11% during 1975, but profits decreased 11%, due primarily to the fall postal strike. However, this division remains a major contributor to Maclean-Hunter's consolidated profit. For the division, 85% of all revenue came from advertising, 10% from subscriptions, and the remaining 5% from other publishing services. Advertising and subscription rates were generally increased 10%-12%.

Due to the strike, the Business Publications Division set up special systems to distribute publications. Maclean-Hunter staff, commercial couriers and several hundred casual workers were employed. A significant percentage of publications were delivered on time, with the remainder being delivered soon after the strike ended.

New ventures. Plans were announced in October 1975 to publish *Construction Today/Middle East*, a publication to serve construction interests in 21 Middle Eastern and North African countries. The first issue appeared in January, 1976, and contained three languages, English, Arabic, and Farsi. In format, reporting style and policy, it is closely modelled

on its sister publication, *Heavy Construction News* in Canada, and *Construcao Hoje* in Brazil.

Canadian Communications Reports and Canadian Interconnection, two newsletters, were purchased during 1975. Both are expected to be profitable in 1976.

Travel Industry Directory, a spin-off of Canadian Travel Courier, is a source of basic information for persons working in the travel industry.

Client Publication Services produces custom publications



for clients, such as employee and external house organs. We feel this is a field with potential.

Design-Ease System, a service offered by Canadian Building, has been set up to provide architects, builders and developers with a series of standard working drawings, thus cutting down the cost of producing standard architects' drawings.

Floor Covering News, spun off from Home Goods Retailing, is designed to serve Canadian floor-covering retailers. It was tested during September 1975, and began regular publication in January, 1976.

Suspended. Industrial Leasing was suspended for 1976. It is a sound concept, and may reappear when conditions are more favourable. *Travel Counsellor*, a travel magazine for consumers, was tested in 1974, but was also suspended.

Creative Communications. This is a total service operation which offers clients complete advertising, promotion and marketing services. Revenues rose 11%, and profits were up 12% over last year, meaning a new high in the five-year history of this unit.

Awards. Seven staff members were honoured at the 1975 Kenneth R. Wilson Memorial Awards. Winners were John Bellinger, David Piper, Al Haslett, Paul Ingram, and Tom Weissmann. Dan Fletcher and Jim Vernon received honourable mentions. Heather Carswell, a Montreal staff writer with *The Medical Post*, received a Canadian Science Writer's Association Medical Journalism Award.

THE FINANCIAL POST

The Financial Post continues to be Canada's foremost weekly newspaper on business, investment and public affairs. Founded in 1907, its success has been built on a tradition of accuracy and integrity, concentrating particularly on alerting Canadians to developments of importance in their business and personal lives.

Although division profits were down from 1974, The Financial Post in 1975 continued as a major contributor to Maclean-Hunter's profits. The Post suffered because of the fall postal strike. Advertising revenue was up, but lineage dropped 7%.

In spite of the strike, circulation reached a new high, an average of 155,000 weekly paid copies. The Post is now read by more than 364,000 persons each week.

In February, 1976, The Post switched from letterpress to offset printing to take advantage of cost savings and technological improvements, and to supply the amount of colour advertising which advertisers now request.

The change to offset involved moving the printing contract to The Toronto Sun. In the process, The Post editorial group redesigned the format of the paper — the third major redesign in its 68-year history.

FP Magazine. The name of the leisure-oriented magazine that is inserted 10 times a year into The Post, was changed in February, 1976, from Impetus back to its original title, The Financial Post Magazine. This publication lost money in

1975, its second loss since 1968.

Investor's Digest. Investor's Digest of Canada, a twice-monthly publication published for professional money managers and other serious investors, was profitable in 1975, significantly improving its results.

FP Services. SVP Canada, an information-on-demand service which is used by subscribers across Canada, was not profitable in 1975, although it improved its position over 1974.

FP Corporation Service sells corporate and financial information in the form of surveys, cards and booklets. Revenue was up, but profit was down.

FP Computer Services also offers financial information,



but most often in computer-readable form. Its profit was down slightly from 1974.

Through FP Conferences, The Post put on six major conferences during the year, and produced a worthwhile profit.

FP Research and Development is looking into specialized business-oriented computer applications, including a major project on computer text-editing. Text-processing volume increased significantly in 1975, with good prospects for 1976. Although this operation is by its nature largely a cost centre, it offers important potential.

Telephone Communicators Canada Ltd., which is 51%-owned, is a new telephone-marketing group set up during 1975. It was profitable in its first year of operation.

Media Research Evaluation Group uses computers to provide specialized media planning services for advertisers. It has established itself as the leader in its field.

Books for Businesspeople, which markets business books by direct mail and through The Financial Post, lost money in 1975, but is profitable again this year. FP Books, which publishes books, is expected to become profitable in 1976.

Awards. W. L. Dack, Brian Roger, Donald Rumball and Robert Hutchison were honoured with National Business Writing Awards in 1975. Anne Bower and Sheldon Gordon won Kenneth R. Wilson Memorial Awards, and Clive Baxter received an honourable mention. Mark Ricketts received a special award for real estate journalism.

CONSUMER MAGAZINES

Maclean-Hunter consumer magazines are among the few things Canadians share and enjoy in common. For this reason alone, they are worth protecting and preserving.

More than one half of all adult Canadians read at least one Maclean-Hunter consumer magazine every month.

Nineteen seventy-five was a year of major change for the Consumer Magazine Division. The changes, coupled with the effects of the postal strike during the fall, put the division in a loss position for the year.

During the year, the subscriber lists of Maclean-Hunter's consumer magazines were converted to a computer system from a manual system.

Bill C-58 will create a more favourable and equitable climate for all present and future Canadian magazines to develop, and the company supports the federal government's initiative in this area.

Chatelaine/Châtelaine. With the January, 1975, issues, the page size of each of these magazines was reduced to that of Maclean's. Also, they moved to offset printing. These changes have reduced manufacturing costs.

The advertising lineage for both publications increased in 1975, and the outlook for both continues to be favourable.

Miss Chatelaine. This magazine produced a profit in 1975. However, this profit was down due to increased investment in building a stronger editorial staff.

Maclean's. In October, 1975, Maclean's Magazine underwent the most dramatic change in its 70-year history,

when it moved to a twice-monthly newsmagazine from a monthly general feature magazine.

A newsmagazine requires a large, highly skilled editorial department, fast printing and distribution, and a high volume of advertising to support the costs.

To accommodate the new format, the editorial staff was substantially increased, and news bureaus were set up across the country and in Washington.

This step was a significant development for Canada: the country finally had a high quality newsmagazine produced by Canadians for Canadians. Reader and advertiser response was positive, and immediate. However, the fall

postal strike occurred with the third issue, making distribution to all subscribers impossible. This was a costly setback for the new magazine.

Over the year, advertising volume increased modestly. The company is confident that Maclean's will continue to grow.

Le Maclean. This publication had a difficult year. Advertising volume dropped slightly. Plans were made in 1975 to acquire the circulation list of *Actualité*, a Quebec-based publication, and merge it with Le Maclean. The resulting publication will appear in September, 1976, under the name *L'Actualité*. The new publication should gain greater acceptance in the Quebec market.

Services. Coast-to-Coast Distributing, which arranges for the newsstand distribution of magazines, including our own, was modestly profitable in 1975.

The Fine Books Division sells books by direct mail. It lost money due to the two serious postal strikes during 1975.

M-H Video, set up to investigate Maclean-Hunter's entry into videotape production, was phased out, as was M-H Travel, which had been established to use the resources of Maclean-Hunter to arrange for packaged tours.

Awards. Doris Anderson, editor of *Chatelaine* and a director of Maclean-Hunter, was invested as an Officer of the Order of Canada during 1975. Miss *Chatelaine* received a Judy award for the quality of its fashion reporting.

Maclean's

CANADA'S NEWSMAGAZINE



MACMILLAN

Maclean-Hunter's involvement in book publishing is primarily through our wholly owned subsidiary, The Macmillan Company of Canada Limited.

Macmillan publishes in three areas: trade books, for the general consumer market; educational learning materials, for elementary and secondary schools; college and university texts. The company is also an agent in Canada for selected lists of foreign publishers.

ONE CANADA JOHN G. DIEFENBAKER

Approximately 65% of total sales are represented by Canadian publishing of Canadian authors. The balance is of foreign imports.

While educational, college and university publishing is

vitally important, the company is probably most visible through its Trade Publishing Division. Authors such as Bruce Hutchison, W. O. Mitchell, James Gray, Robertson Davies, Morley Callaghan, C. P. Stacey, Joseph

Schull, Donald Creighton and Hugh MacLennan are some of the great names in Canadian literature who publish with Macmillan.

During 1975, Dennis Lee's two books of children's poetry, Nicholas Knock and Alligator Pie, already almost Canadian classics, continue to sell well. Macmillan continued its tradition as a leading publisher of Canadian political memoirs with One Canada, by the Rt. Hon. John G. Diefenbaker.

In 1975, sales topped the \$6,000,000 level for the first time. The company is in a profit position.

During the fall of 1975, the Canadian Booksellers Association rated Macmillan among the top five book publishers in Canada.



TRADE SHOWS

Design-Craft. Design-Craft Limited is the show contractor for many of the trade and consumer shows which are held in Canada each year. This involves providing services and a labour force to set up the show.

In 1975, Design-Craft produced the largest profit in its history. It worked as show service and rental equipment contractor for 28 separate trade shows, of which six were produced for Industrial and Trade Shows of Canada, and three more for other branches of Maclean-Hunter.

Design-Craft also acts as show management for the Canada Farm Show, which is

held annually. In 1976, Design-Craft will act in the same capacity for the Electrical Showcase '76 in Moncton, Montreal, Winnipeg, Edmonton and Toronto.

ITS. Industrial and Trade Shows of Canada, a division of Design-Craft, organized eight trade shows in 1975, which resulted in the highest profits ever generated for this profit centre.

During the year, a new trade show was announced: Canadian Trucking Exhibition. This new exhibit will be produced every two years, beginning in 1976, in cooperation with the Ontario Trucking Association.

The largest show of 1975 was the National Industrial Production & Machine Tool Show, which in 1975 established a new record for space sold and attendance.

IES. International Exposition Services, Inc., a 50% subsidiary of Design-Craft, acts as the official show services and rental contractor for shows and conventions taking place at the Four Seasons-Sheraton Hotel in Toronto. This operation also had a very successful year.

Trans Canada. Design-Craft has a 50% position in Trans Canada Expositions Limited, which sells and manages the successful Canada Farm Show.

DISTRIBUTION

Metro News. Metro Toronto News Company Limited, a wholesale distributor of magazines and paperback books in Southern Ontario, was profitable in 1975, a turnaround year from the loss in 1974 and previous years. This improvement can be attributed to a number of factors, including an improvement in the gross margin from 21% to 23%, a 21% increase in sales over the previous year, and a reduction in operating expenses through a number of operational improvements.

The Metro operation is made up of a group of companies: Metro Toronto News Company; Western Ontario Distributors, operating out of London, Ontario; and Trent News Company, operating out

of Cobourg, Ontario. The company also operates a depot in Barrie, Ontario which serves the Northern Ontario vacation area.

In addition to wholesale distributing operations the company operates Professor's Den Bookstores of Canada, which has book stores in Sarnia and Toronto, and Traveltime, a distributor of specialty items to variety stores.

The Co-op. The Co-operative Book Centre of Canada Limited, a wholesale distributor of books to libraries across Canada, also became profitable during 1975. The Co-op is a Toronto-based wholly owned subsidiary of Maclean-Hunter.

Sales rose during the year by almost 20%, with operating

costs rising only 5%. Gross margin increased from 22% to 26% in the book distribution section, and selling price rose by an average of 24% in the company's cataloguing and processing department.

The largest sales increases came from the elementary and secondary school markets in Ontario and Alberta, with minor losses recorded in the public library and government markets.

Order fulfilment has been a traditional problem with book distributors in Canada because of poor service from some publishers. Many publishers improved their systems during 1975 with the result that The Co-op's order fulfilment improved by 11%.

The Co-op's market position improved significantly during the year with the decision by one major competitor to close its Canadian book wholesale operation, and a similar decision by another major competitor to supply libraries directly from its American warehouse rather than supply books from its Canadian subsidiary.

The Co-op is now working on a new order-entry system which it hopes to have operating sometime near the middle of 1976. This system will help the company improve its position with the public library market. Part of the decline in the public library market was due to price increases put into effect in January, 1975. However, the increased services which The Co-op will be offering will more than offset the impact of these increased prices.



PRINTING

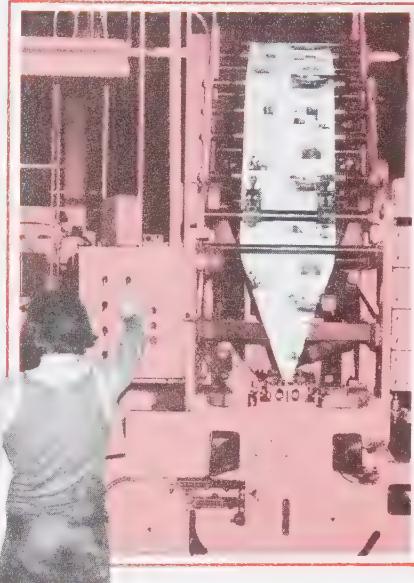
Printing is a highly competitive business where technological change is constant and where production tolerances are tight. Maclean-Hunter is recognized as a quality printer of the highest standing.

The Maclean-Hunter Printing Plant, in Toronto, is continually up-dating its equipment and retraining its craftsmen, thus increasing productivity. The major equipment purchased in 1974 was further supported in 1975 with additional equipment of \$280,000.

All Maclean-Hunter consumer magazines and most business publications are now a standard page size and

printed by the offset process. This permits manufacturing specialization with resulting service, quality and cost improvement.

Roughly 40% of our publica-



tions are still typeset in hot metal. Now that The Financial Post is no longer printed at the Maclean-Hunter Plant, the switch to photocomposition will be accelerated.

Total paper consumption was down during 1975, attributable mainly to the new smaller size of Chatelaine and Châtelaine.

Commercial Printing. Sales for the Commercial Printing Sales Department, which sells printing services to customers outside Maclean-Hunter, improved 22% over 1974, and profits improved 17%. Sales emphasis is placed on magazine and catalogue printing. This operation has potential for considerable growth.

BUSINESS FORMS

Maclean-Hunter, which has built up a reputation as a full service communications company, has many years of experience in the printing business. Our growing interest in business forms is a natural extension of this.

In 1975, paper supplies were more plentiful than in 1974, and general business forms activity remained at roughly the same level as last year. In spite of this, these business forms divisions contributed 19% to Maclean-Hunter's overall profit in 1975.

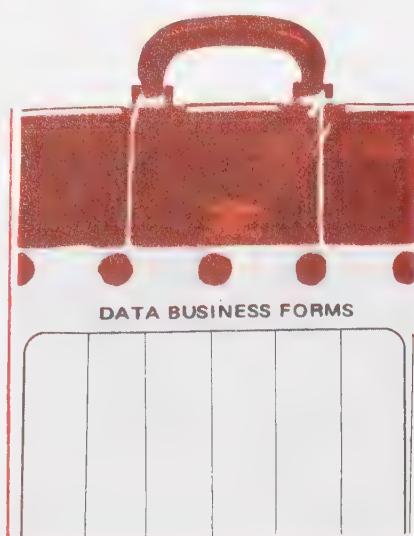
Data. Despite more competitive market conditions, this division was able to hold its relative market position. During the year, specialized

magnetic ink cheque encoding equipment was added, generating important orders from commercial institutions and furthering penetration of key financial organizations. Data

Business Forms' reputation as an innovative manufacturer is growing.

Pakfold. Pakfold are dealer-oriented business forms printers whose accounts span the nation. Their primary products are register forms, Paksets and computer-related continuous forms.

Redi-Set. Over the years Redi-Set Business Forms has built a reputation on service and quality and the development of a systems selling policy. The advantage of improved paperwork flow allows greater overall customer savings, efficiency and confidence, resulting in future sales growth through customer satisfaction.



BROADCASTING

The company takes considerable pride in the contribution it makes through broadcasting. We are working very hard to serve responsibly those communities where we are licensed.

CFCN Communications. CFCN Communications Limited, headquartered in Calgary, is 60%-owned by Maclean-Hunter Limited. CFCN Communications operates a radio station and a television station in Calgary, both serving Southern Alberta. And in Southwestern Ontario, it owns CFCO in the Chatham-Wallaceburg area, and CHYM-AM and CKGL-FM in Kitchener-Waterloo.

In 1975, CFCN had total revenue of \$10,755,000 and profit of \$1,710,000, increases of 14% and 24% respectively over 1974.

By means of a new rebroadcaster and with the cooperation of CHAT-TV, Medicine Hat, CFCN Television went on the air in Southeastern Alberta. In the spring of 1975, CFCN Television ran the first Calgary telethon, in cooperation with the Kinsmen Club of Calgary, raising more than \$600,000 for the Alberta Children's Hospital.

CFCN Radio has a new "Radio West" logo and a new look. During 1975, CFCN Radio moved its programming from a middle-of-the-road sound to an adult contemporary sound of appeal to persons in the 20-40 age range. Application has been made to the CRTC for an FM licence to serve Calgary and Southern Alberta.

Greatlakes. Total sales for

CHYM-AM increased 10% during 1975. Programming changes resulted in adult programming during the day time, and a defined "rock" show during the evening.

CKGL-FM, formerly CHYM-FM, continued with its policy of "contemporary country music."

CFCO had its best year ever with total sales up approximately 10% over 1974. Retail sales accounted for 81% of total revenue. The middle-of-the-road music approach continues, with stress on programming of local interest.

Shoreacres/CKEY. CKEY continued its strong emphasis on public affairs and middle-of-the-road music to its Toronto-area audience. The station set a new high in listening with adults over 18 spending some 6.5 million hours with



the station each week.

The importance of news at CKEY continues, with greater scope being given to investigative and feature reporting, and remote news presentations. Shoreacres has applied to the CRTC to establish Canada's first all-news station, in the Toronto area. The application is for an FM licence, with the proposed call letters being CFYI.

Newsradio, a Shoreacres subsidiary, is a national broadcast news service which serves 40 subscribing Canadian stations. It now has news bureaus in Toronto, Ottawa, and Victoria, and feeds information to the CBS Radio Network in the U.S.

Stephens & Towndrow, which is 80% owned by Shoreacres, sells radio and television time for other stations. Its profit improved dramatically over the loss in 1974.

Awards. Lynne Gordon of CKEY's "Consumer Desk" was selected by the Ontario Government as one of 25 Ontario women who have made "outstanding contributions to the life of their community or country." CFCN Radio received a special citation from the Calgary Safety Council for the station's Trafficwatch helicopter service. CFCN Television earned two first prizes in Calgary's annual Love Awards. Also, both the Calgary and Lethbridge outlets were honoured with five awards of merit in the Television Bureau Cross Canada Competition. The League for Human Rights B'nai B'rith gave CFCN Television a special honourable mention.

CABLE TELEVISION

Maclean-Hunter Cable TV Limited is a 61.7%-owned subsidiary of Maclean-Hunter Limited. Either directly or through subsidiaries, this Toronto-based company operates 19 cable TV systems in 22 communities in Ontario and the United States.

In 1975, the company had revenues of \$16,706,000, and consolidated net income, before an extraordinary item, of \$2,335,000.

The success of the company this year was reflected in the declaration of its first quarterly dividend for common shareholders.

M-H Cable was granted extensions by the CRTC to its licenced areas in Mississauga and the town of Ajax. The CRTC has also renewed all M-H Cable licences for periods varying from two to five years, depending on location.

At year-end, Maclean-Hunter Cable TV had 243,000 households connected, compared with 225,000 last year. Of these, 239,000 were in the Ontario systems.

Suburban. A development of considerable importance to M-H Cable was the purchase in 1975 of a 75% interest in Suburban Cablevision of New Jersey, a U.S. cable operation which has franchises in 11 New Jersey communities in the County of Essex. It was subsequently awarded a twelfth in Hudson County.

Suburban started construction on these communities during the summer of 1975, and started hooking up cable customers early in the fall at a monthly rate of \$6.50.

Suburban is also marketing

a pay television package. The revenue derived from the monthly charge of \$8 for this pay TV service is divided evenly between Suburban and the supplier. At the end of

1975, Suburban had a potential of 12,000 homes with 4,000 subscribers for cable service, of whom more than 3,000 had subscribed for the extra pay TV service.

Phasecom. This California-based company manufactures specialized head-end equipment for the cable TV industry in North America.

Sales of Phasecom products continued to be much slower than anticipated, while some software problems increased expenses greatly. The result was a further loss for Phasecom in 1975, causing the company to write off its investment in the company.

Communications. Maclean-Hunter Communications, 100%-owned by M-H Cable, primarily sells personal radio-paging services, but it is also involved in other services including alarm monitoring, and telephone answering services. The company has more than 4,600 radio paging subscribers in Toronto and Southwestern Ontario. It became profitable for the first time in 1975.

Three marginal telephone answering service operations were disposed of during the year, and our trans-border operations in Buffalo and Niagara Falls, N.Y., were phased out.

Representations are now being made to the Federal Department of Communications to obtain additional paging frequencies to accommodate the company's need to expand. This company's growth in the next five years is primarily dependent on the continued growth of personalized radio paging.



INTERNATIONAL OPERATIONS

M-H London. In spite of an inflation rate of 26% and record unemployment, Maclean-Hunter Limited, in London, England finished the year with a profit 17% higher than 1974.

During the year, Troup Publications Limited and its wholly owned subsidiary Equipment News Limited were acquired. This added three publications: Domestic Heating News, Lighting Equipment News, and Heating & Air Conditioning Journal.

International Fairs & Conferences was suspended. Its base of potential advertisers was declining. Routes, an annual subsidiary publication of the very successful International Freighting Weekly, was discontinued.

M-H Chicago. Revenue for the publications of Maclean-Hunter Publishing Corporation, Chicago, increased 10% in 1975, and contrary to the downward trend among business publications in the U.S., advertising pages of these publications increased as a

group. Profits increased 39%.

Profits for National Market Reports, a wholly owned subsidiary which produces a series of vehicle pricing guides, were up over 100% compared with 1974. Development was started on a new publication, National Boat Book, due in 1976.

M-H South Africa. Profit in Westbourne-Maclean Hunter (Pty) Limited, our 70%-owned company in Johannesburg, South Africa, was down 28% in 1975. The company mounted the largest machine tool show ever put on in South Africa and started up one new publication, Home Goods Retailing.

Europe. Maclean-Hunter owns 50% of five advertising media information publications in Europe. The Zurich-based Media Daten, A.G. is the newest, and was begun in 1975. In general, 1975 was a difficult year for these publications, with revenues up, but profits down. The outlook is better for 1976.

Awards. In the United States, Inland Printer/Ameri-

can Lithographer again topped all publications with six Golden Key Editorial Awards, and for the second consecutive year was awarded "Magazine of the Year" by the International Association of Printing House Craftsmen.



OTHER SERVICES

Fraser's. Fraser's, a division of the Co-operative Book Centre of Canada, produces a general industrial trade directory and a companion construction directory. These publications continue to grow steadily and represent a major contribution to overall Maclean-Hunter profits.

CPCS. Canadian Press Clipping Services, a service which clips national newspapers and

magazines, produced a respectable profit in 1975.

Direct Mail. Direct Mail Services, which rents the audited circulation lists of Maclean-Hunter's business publications and The Financial Post, was also profitable in 1975.

M-H Mailing. Maclean-Hunter Mailing Services offers complete mailing services to those undertaking a direct mail program. This group had

difficulty in 1975, due to the two postal strikes.

M-H Microfilm. M-H Microfilm Services sells Canadian materials on microfilm to schools and libraries across Canada.

Research Bureau. Maclean-Hunter Research Bureau produces surveys and major market reports for clients. The Research Bureau conducted 35 major surveys during the year.

1975 MACLEAN-HUNTER CONSOLIDATED FINANCIAL STATEMENTS



Consolidated Statement of Income and Retained Earnings

Michigan-Harvest Council

For the year ended December 31, 1975, with comparative figures for the 1974 year.

	1973	1974
Revenue:		
Periodicals and books — Publishing	\$ 65,452,000	\$ 56,736,000
Distribution	30,801,000	26,708,000
Broadcasting	15,401,000	13,435,000
Cable TV	16,706,000	13,963,000
Printing and other activities	23,230,000	19,392,000
Investment income	88,000	73,000
Total revenue	151,873,000	121,374,000
Expenses:		
Operating expenses	125,732,000	111,841,000
Depreciation and amortization	5,081,000	4,222,000
Interest expense (note 5)	2,750,000	3,158,000
Total expenses	136,563,000	119,221,000
Income before extraordinary items	15,310,000	12,153,000
Income taxes	8,103,000	7,371,000
	7,392,000	7,707,000
Share of net income (losses) of affiliated or effectively controlled companies	(81,000)	34,000
Minority interest	7,911,000	6,741,000
Consolidated net income before extraordinary items	6,084,000	5,264,000
Extraordinary items (note 8)	(191,000)	(1,196,000)
Consolidated net income for the year	5,893,000	4,068,000
Retained earnings, beginning of year	22,625,000	21,971,000
	20,513,000	20,343,000
Dividends, note 7	1,443,000	1,415,000
Retained earnings, end of year	\$ 21,075,000	\$ 20,625,000
Earnings per share of capital stock (Class A and B)		
Consolidated net income before extraordinary items	74.7¢	65.5¢
Extraordinary items	(2.3¢)	(14.5¢)
Consolidated net income	72.4¢	50.0¢

Consolidated Statement of Changes in Financial Position

Maclean-Hunter Limited

For the year ended December 31, 1975 (with comparative figures for the 1974 year)

	1975	1974
Sources of working capital:		
Operations —		
Consolidated net income before extraordinary items	\$ 6,084,000	\$ 5,264,000
Increase in unearned net publishing revenue	412,000	567,000
Amounts deducted in arriving at		
consolidated net income which did not involve an outlay of working capital		
Depreciation and amortization	5,081,000	4,222,000
Deferred income tax	2,735,000	1,324,000
Minority interest	1,827,000	1,477,000
Total from operations	16,139,000	12,854,000
Increase in long-term debt	2,175,000	14,422,000
Sundry	348,000	
Total sources	18,662,000	27,276,000

Applications of working capital:

Business acquisitions —		
Consideration paid in year	692,000	146,000
Deduct working capital acquired	(171,000)	(142,000)
Net outlay	521,000	4,000
Additions to properties (net)	9,212,000	8,977,000
Reduction in long-term debt	4,572,000	6,684,000
Redemption of preference shares of subsidiary company	490,000	457,000
Increase in investments	282,000	180,000
Deferred computer systems development costs (net)	170,000	433,000
Dividends	2,443,000	2,415,000
Subsidiary company dividends paid to minority interest	554,000	435,000
Sundry	208,000	
Total applications	18,244,000	19,793,000
Increase in working capital	418,000	7,483,000
Working capital at beginning of year	13,227,000	5,744,000
Working capital at end of year	\$ 13,645,000	\$ 13,227,000

(See accompanying notes)

Consolidated Statement of Financial Position

Maclean-Hunter Limited (Incorporated under the laws of Ontario)
December 31, 1975, (with comparative figures at December 31, 1974)

ASSETS	1975	1974
Current:		
Cash	\$ 558,000	\$ 388,000
Short-term deposits	2,567,000	1,865,000
Accounts receivable	25,079,000	21,593,000
Inventories	9,668,000	9,447,000
Prepaid expenses	2,205,000	1,877,000
Total current assets	40,077,000	35,170,000
Investments and advances:		
Affiliated and effectively controlled companies	1,463,000	1,938,000
Other companies (note 6)	1,201,000	990,000
Total investments	2,664,000	2,928,000
Properties (note 4)	38,907,000	34,217,000
Goodwill (note 2)	28,978,000	28,947,000
Other assets (note 7)	1,828,000	1,459,000
	\$ 112,454,000	\$ 102,721,000

(See accompanying notes)

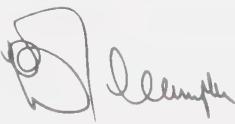
Maclean-Hunter Limited (Incorporated under the laws of Ontario)
 December 31, 1975, (with comparative figures at December 31, 1974)

LIABILITIES	1975	1974
Current:		
Bank loans (secured by accounts receivable)	\$ 1,141,000	\$ 2,681,000
Accounts payable and accrued charges	17,698,000	13,881,000
Income and other taxes payable	2,306,000	2,441,000
Dividends payable	550,000	548,000
Long-term debt due within one year	2,466,000	421,000
Unearned cable TV revenue	2,271,000	1,971,000
Total current liabilities	26,432,000	21,943,000
Unearned net publishing revenue	6,088,000	5,676,000
Long-term debt (note 5)	26,545,000	28,942,000
Deferred income taxes	10,040,000	7,305,000
Minority interest in subsidiary companies	13,302,000	12,524,000
Shareholders' equity (note 7):		
Capital	1,455,000	1,202,000
Contributed surplus	1,517,000	1,504,000
Retained earnings	27,075,000	23,625,000
	30,047,000	26,331,000
	\$ 112,454,000	\$ 102,721,000

On behalf of the Board:

Director

Director



Donald G. Campbell



Floyd S. Chalmers

Notes to Consolidated Financial Statements

Maclean-Hunter Limited

December 31, 1975

1. Accounting policies

Consolidation and investments

The accounts of subsidiaries (ownership greater than 50%) are consolidated with those of the Company from the date of acquisition using the purchase method.

Investments in affiliated (50% ownership) or effectively controlled companies (ownership less than 50%) are carried on the equity basis under which the Company includes its share of their earnings and losses in consolidated income annually, adjusts its investment accordingly and records dividends as a reduction in the investments.

Investments in other companies (ownership less than 50% and not effectively controlled) are carried at cost or at cost less amounts written-off.

See table and note 6 for the details of the companies in each of these three categories.

All significant subsidiary operations have year ends which coincide with that of the Company except for the book and periodical distribution operation carried on by Metro Toronto News Company Limited. In prior years the Company consolidated this distribution operation based on a fiscal year which ended on September 1 with appropriate adjustments made for inter-company transactions to December 31. In 1975, the distribution operations have been consolidated based on a fiscal year which ended on November 30. The adjustment required in 1975 to reflect this change was not made retroactively as the effect on annual operations is not material.

Translation of foreign currencies

The accounts of the company's foreign subsidiaries are translated into Canadian dollars on the following basis:

(a) Current assets and current liabilities at the approximate rates of exchange on December 31, 1975;

(b) Other balance sheet accounts at the rate of exchange prevailing when the transactions were recorded, and

(c) Revenues and expenses at the average rate for the year.

Inventories

Finished goods inventories are valued at the lower of cost and net realizable value. Printing materials are valued at the lower of cost and replacement cost.

Properties

Land, buildings and equipment are stated at cost.

Cable TV plant is stated at cost. During the construction of new cable TV systems, all related expenses are capitalized until service to the first group of subscribers is installed; thereafter, 50% of these expenses are capitalized until the construction is complete.

Depreciation is being recorded at the following rates which are expected to amortize asset cost over estimated useful life —

Buildings — 5% on diminishing balance

Printing plant and cable TV plant — 10% straight line

Communications equipment — 15% or 20% straight line

Other plant and equipment — 10% or 20% on diminishing balance

Vehicles — 30% on diminishing balance

Goodwill

The excess of the cost of acquiring businesses over the value assigned to net tangible assets acquired is included in goodwill. Goodwill is considered to have ongoing value and that portion arising prior to April, 1974 is carried in the accounts at cost.

Goodwill arising subsequent to April, 1974 is being amortized on a straight line basis over forty years.

Computer systems development costs

The costs of major new computer systems development projects (included in Other assets) are deferred until their completion when such costs are amortized over periods not exceeding four years.

Recognition of publishing revenue

Revenue from publication subscriptions less the related direct commission cost of acquiring consumer magazine subscriptions is deferred and taken into income over the terms of the various subscriptions. All other subscription acquisition costs are charged to income as incurred.

No portion of the unearned net publishing revenue, representing the amount to be earned within the following year, is included with current liabilities (as would ordinarily be done following recommendations of the Canadian Institute of Chartered Accountants) as it is deemed to be offset by the other subscription acquisition costs charged to income when incurred.

2. Business acquisitions,

writeoff and divestitures

(a) The following acquisitions were made during the year —

- (i) In April, 1975, the Company's partially-owned subsidiary, Maclean-Hunter Cable TV Limited acquired a 75% interest in Suburban Cablevision, a company holding cable television franchises in New Jersey, U.S.A.
- (ii) In October, 1975, the Company's wholly-owned subsidiary, Maclean-Hunter Limited (Britain) acquired a 100% interest in Troup Publications Limited, a company producing business publications in the United Kingdom.
- (iii) Several minor publishing and communication businesses were acquired by the Company.

These acquisitions have been accounted for as purchases and the excess of the cost to acquire the businesses over the Company's proportionate share of the fair value of the net tangible assets acquired is included in goodwill. The net tangible assets acquired amounted to \$588,000 and the total cash consideration paid was \$692,000 resulting in goodwill on these acquisitions of \$104,000.

(b) In July, 1975, Peterborough Cable Television Limited (75% owned by Maclean-Hunter Cable TV Limited) acquired an additional 10% interest in Phasecom Corporation for a nominal cost to bring its total ownership to 60%. As a result of Phasecom's continuing losses, the investment in this company has been written off and, therefore, the accounts of Phasecom have not been consolidated.

(c) Several divestitures of small operations in the communications business were made during the year by a partially-owned subsidiary. The net proceeds have been applied to reduce goodwill.

3. Unutilized tax losses

Certain subsidiary companies have unused tax losses from prior years of approximately \$2,442,000 of which minor amounts must be utilized before 1978 and the remainder at various dates to 1980. Most of this amount represents losses incurred by subsidiaries prior to their acquisition by the Company, the tax benefits of which, when realized, will be applied in reduction of the carrying value of goodwill related to such acquisitions.

4. Properties

	1975	1974
Assets at cost:		
Land	\$ 2,394,000	\$ 2,300,000
Buildings and equipment	43,997,000	42,171,000
Cable TV plant	27,439,000	22,165,000
	71,436,000	64,336,000
Less accumulated depreciation	34,923,000	32,419,000
	36,513,000	31,917,000
	\$ 38,907,000	\$ 34,217,000

Cable TV plant includes \$6,062,000 (\$5,864,000 in 1974) of assets paid for by the Company, but held under leases from public utility companies with minimum initial terms of 10 years.

5. Long-term debt

	1975	1974
Maclean-Hunter Limited and wholly-owned subsidiaries		
Bank loan (secured by accounts receivable) at an interest rate 1½% above the prime bank rate. The maximum line of credit will be reduced by \$825,000 per quarter commencing in 1976 (see below)	\$ 14,651,000	\$ 15,697,000
7% note payable maturing in 1982 payable in quarterly instalments of \$59,000 plus interest	1,658,000	1,895,000
	16,309,000	17,592,000

Maclean-Hunter Cable TV Limited

Bank loan (\$1,300,000 Canadian dollar loan and \$1,850,000 U.S. dollar loan) secured by \$7,400,000 Series "B" debenture at interest rates from ½% to 1½% above the Canadian prime bank rate on the Canadian loan and 2% above the New York prime rate on the U.S. loan to mature no earlier than 1981	3,150,000	1,900,000
9% Sinking Fund Debentures Series "A" with annual sinking fund requirements of \$750,000 to 1979 and \$1,149,000 in 1980 (\$76,000 of the 1976 sinking fund requirement made in 1975)	4,074,000	4,150,000
Sinking Fund Debentures Series "C" to mature July 1, 1989 with interest rate of prime bank rate plus ¾% (but not less than 9½% or greater than 11%) and annual sinking fund requirements of \$250,000 from 1977 to 1989, \$435,000 from 1981 to 1988 and \$520,000 in 1989	5,000,000	5,000,000
	12,224,000	11,050,000

Other indebtedness	478,000	721,000
	29,011,000	29,363,000
Less portion due within one year	2,466,000	421,000
Total long-term debt	\$ 26,545,000	\$ 28,942,000

The aggregate amount of principal payments estimated to be required to meet debt obligations in each of the next five years is as follows:

1976	\$ 2,466,000
1977	4,669,000
1978	4,623,000
1979	4,569,000
1980	4,970,000

The Company has given collateral security in the form of demand notes for the bank loan of \$14,651,000. The loan agreement provides that the bank will not make demand on the notes so long as the terms of the agreement are met.

Interest expense of \$2,750,000 includes \$257,000 (1974 — \$208,000) of interest on debt initially incurred for a term of less than one year.

6. Investment and advances — other companies

Details of investments in other companies are as follows:

	1975	1974
Global Communications Limited		
— common shares and note	\$ 774,000	\$ 738,000
CTV Television Network Limited		
— common and preferred shares and participating debentures	121,000	121,000
Orillia Broadcasting Limited		
— debentures	180,000	
Mortgages and other	126,000	131,000
	\$ 1,201,000	\$ 990,000

The \$738,000 carrying value of the common share investment in Global Communications Limited is the amount which the Company would realize if the purchase options (issued as a result of the Global refinancing in 1974) for the Company's holdings of Global were exercised in their entirety. The exercise of the purchase options presently outstanding and on which the carrying value of \$738,000 depends, is contingent upon the satisfactory future operating results of Global.

7. Shareholders' equity

(a) Capital —

Authorized:

10,000,000 Class A and Class B interconvertible participating shares without par value

1,000 Common shares without par value

Issued:

	Number of shares	
	1975	1974
Class A	2,626,560	2,580,064)
Class B	5,523,740	5,533,736)
))
	8,150,300	8,113,800)

	Capital	
	1975	1974
Class A and Class B	\$ 1,455,000	\$ 1,202,000

(b) Senior employee stock participation plan —

400,000 Class B shares have been set aside for purposes of a Stock Participation Plan for certain senior employees of the Company under which designated employees may purchase shares at the market price at the time of purchase. Of the 191,000

shares allotted to individual employees under the plan at December 31, 1975, 150,300 shares had been purchased and 40,700 shares remain available for purchase during 1976. During the year, 36,500 Class B shares were issued for a total cash consideration of \$253,000.

In accordance with the provisions of the Plan, the Company has made interest-free loans available to finance these purchases. These loans are to be repaid over a maximum period of ten years. At December 31, 1975, the balance of such loans was \$895,000 which is included in Other assets in the Consolidated Statement of Financial Position. Shares purchased under the Plan are held in trust until the loans have been fully paid.

(c) Share transfer restriction —

The Company's articles of incorporation confer upon it the right to refuse to register a transfer of any shares in the capital of the Company to a non-resident that may in the opinion of the directors adversely affect the status of the Company under the licensing provisions of the Broadcasting Act of Canada, or the status as a Canadian publication of any newspaper or periodical published by the company.

(d) Retained earnings —

Canadian income tax law defines the concepts of "1971 undistributed income on hand" and "1971 capital surplus on hand". A corporation may elect that all or part of its dividend payment be deemed to come from these balances. Dividends which are tax free to shareholders (but which reduce the adjusted cost base on their shares for capital gains tax purposes) may be declared by the Company on Class B shares. Such dividends are deemed to come first from 1971 undistributed income after payment by the Company of 15% tax thereon then, when that source is exhausted, from capital surplus upon which no tax is payable by the Company. At December 31, 1975, the Company had on hand approximately the following amounts of such surplus:

1971 undistributed income	\$ 577,000
1971 capital surplus	21,500,000
	<u>\$ 22,077,000</u>

(e) Dividends —

Dividends paid on Class B shares are equivalent to those paid on Class A shares after consideration of the special 15% tax currently being paid to create tax-paid undistributed surplus on hand from which Class B dividends are paid. During the year the following dividends were declared:

	1975	1974
Class A shares — 30.0¢ per share	\$ 783,000	\$ 769,000
Class B shares — 30.0¢ per share		
less tax of 4.5¢ per share	1,411,000	1,399,000
	2,194,000	2,168,000
Tax	249,000	247,000
	<u>\$ 2,443,000</u>	<u>\$ 2,415,000</u>

(f) Contributed surplus —

Contributed surplus was increased by \$13,000 during the year (1974 — \$2,000) as a result of a gain on redemption of subsidiary company preference shares.

8. Extraordinary items

Details of extraordinary items are as follows:

	1975	1974
Write-off of investment in Maclean-Hunter Cable TV Limited's affiliated company, Phasocom Corporation	\$ 191,000	\$ 210,000
Write-down of investment in Global Communications Limited		705,000
Loss on disposal of the Company's investment in "New Press"	281,000	
	<u>\$ 191,000</u>	<u>\$ 1,196,000</u>

9. Contingent liabilities and commitments

(a) As at December 31, 1975, there were pending against the Company and certain subsidiaries lawsuits arising in the ordinary course of business. Based on the opinion of counsel retained to defend these lawsuits, management is of the opinion that recoveries, if any, by the plaintiffs will not be material and no provision has been made in the accounts of the companies.

(b) The Company and its subsidiaries are committed to make lease payments aggregating \$2,066,000 annually for periods of up to 13 years relating to premises and equipment.

10. Anti-Inflation program

Effective October 14, 1975, the Federal Government passed the Anti-Inflation Act and subsequently issued Regulations which are scheduled to be in force until December 31, 1978. Under this legislation, the Company and its domestic subsidiaries are subject to mandatory compliance with controls on prices, profit margins, compensation and dividends. Dividends (including taxes paid on surplus in respect of dividends) to the Company's shareholders during the twelve-month period ending October 13, 1976 may not exceed 30¢ per share.

11. Reclassification of accounts

Certain reclassifications have been made in the accounts in 1975 and the 1974 figures submitted for comparative purposes have been adjusted to conform with the 1975 classifications.

12. Statutory information

The aggregate direct remuneration of directors and senior officers (as defined in The Business Corporations Act, Ontario — totalling 19 individuals in 1975 and 17 individuals in 1974) amounted to \$784,000 in 1975; \$718,000 in 1974.

13. Event subsequent to the year-end

Two partially-owned subsidiary companies CFCN Television Limited (60% owned) and Maclean-Hunter Cable TV Limited (61.7% owned) have agreed to acquire an aggregate 49.85% interest in Maclean-Hunter Holdings Limited, a company incorporated to acquire 3,424,098 shares (42%) of Maclean-Hunter Limited.

The total investment in Maclean-Hunter Holdings Limited by these subsidiaries amounting to \$12,545,000 will be financed through the utilization of existing available funds and by term bank loans.

Auditors' Report

To the Shareholders of Maclean-Hunter Limited:

We have examined the consolidated statement of financial position of Maclean-Hunter Limited and its subsidiaries as at December 31, 1975, and the consolidated statements of income and retained earnings and changes in financial position for the year then ended. Our examination of the financial statements of Maclean-Hunter Limited and those subsidiaries of which we are the auditors included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances. For those subsidiaries of which we are not the auditors, we have relied on the reports of other auditors.

In our opinion, these consolidated financial statements present fairly the financial position of the companies as at December 31, 1975 and the results of their operations and the changes in their financial position for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Toronto, Canada,
April 15, 1976.

Clarkson, Gordon & Co.
Chartered Accountants

Table to Consolidated Financial Statements

Maclean-Hunter Limited December 31, 1975

Subsidiaries consolidated	100% M-H Communications Limited owns: 61.7% Maclean-Hunter Cable TV Limited owns: 66 2/3% Huron Cable TV Limited 75% Suburban Cablevision (United States) 75% Peterborough Cable Television Limited owns: 60% Phasecom Incorporated (United States) 100% Maclean-Hunter Communications Limited owns: 100% Telephone Answering Service Incorporated
	100% Shoreacres Broadcasting Company Limited owns: 100% Com-Logics Limited 80% Stephens & Towndrow Limited
	100% Maclean-Hunter Limited (Britain) owns: 100% Troup Publications Limited (Britain)
	100% Maclean-Hunter Publishing Corporation (United States) owns 100% National Market Reports Incorporated (United States)
	60% CFCN Communications Limited owns: 100% Greatlakes Broadcasting System Limited 100% The Voice of the Prairies Limited 100% CFCN Television Limited owns: 100% CFCN Productions Limited
	100% Metro Toronto News Company Limited owns: Business Forms Divisions ; Data Business Forms Pakfold Business Forms Redi-Set Business Forms owns: 50% Selective Paperbacks Limited 50% Metro Toronto News Company (a limited partnership) owns: 100% Colonial Distributors Limited
	100% The Macmillan Company of Canada, Limited 100% Design Craft Limited 100% Co-Operative Book Centre of Canada, Limited 100% Professors Den Bookstores of Canada, Limited 100% Somerset Specialties Limited owns: 100% Western Ontario Distributors Limited
	100% Combined Communications Limited 100% I.D.C. Publishing company Limited 100% Data Business Forms Limited 70% Westbourne-Maclean Hunter (Proprietary) Limited (South Africa) 51% Telephone Communicators Canada, Limited
Affiliated companies (50% ownership or less)	Owned by Maclean-Hunter Limited – KEG Productions Limited owns: 100% Wildlife Film Distributors Limited Quality Service Programs Incorporated Sinnott news Company Limited owns: 100% Sinnott News Realty Company Limited Trans Canada Expositions Limited Media Daten, Verlagsgesellschaft m.b.H. (Germany) Media Daten, Verlagsgesellschaft m.b.H. (Austria) Media Daten, A.G., (Switzerland) Dati e Tariffe Pubblicitarie S.p.A., (Italy) Tarifmedia S.A. (France) Corena Ltda., (Brazil) Owned by subsidiaries – International Exposition Services Incorporated Paul Mulvihill Limited

Ten-year Summary

Maclean-Hunter Limited (\$000s omitted)

Income	1975	1974	1973
Revenue			
Periodicals and books – Publishing	\$ 65,452	\$ 58,736	\$ 54,767
– Distribution	30,801	26,708	21,761
Broadcasting	15,401	13,435	11,305
Cable TV	16,706	13,965	11,927
Printing and other activities	23,230	19,392	12,569
Investment Income	88	73	32
Total Revenue	\$151,678	\$132,309	\$112,361
Expenses			
Operating expenses	\$127,752	\$111,841	\$ 95,138
Depreciation and amortization	5,081	4,222	3,615
Interest expense	2,750	3,168	1,904
Total Expenses	\$135,583	\$119,231	\$100,657
Income before taxes	\$ 16,095	\$ 13,078	\$ 11,704
Income taxes	8,103	6,371	5,968
Income before following items	7,992	6,707	5,736
Share of net income (losses) of affiliated or effectively controlled companies	(81)	34	69
Deduct minority interest	1,827	1,477	786
Income before extraordinary items	6,084	5,264	5,019
Extraordinary items	(191)	(1,196)	....
Consolidated net income	\$ 5,893	\$ 4,068	\$ 5,019
Net flow of funds from operations	\$ 16,139	\$ 12,854	\$ 10,391
Dividends paid	2,194	2,168	2,087
Year-end financial position			
Current assets	40,077	35,170	27,878
Less: Current liabilities	26,432	21,943	22,134
Working Capital	\$ 13,645	\$ 13,227	\$ 5,744
Properties	\$ 38,907	\$ 34,217	\$ 29,253
Total assets	112,454	102,721	90,295
Unearned net publishing revenue	6,088	5,676	5,109
Long-term debt	26,545	28,942	21,095
Deferred income taxes	10,040	7,305	6,003
Minority interest in subsidiary companies	13,302	12,524	11,980
Shareholders' equity	\$ 30,047	\$ 26,331	\$ 23,974
Per share data*			
Consolidated net income before extraordinary items	74.7¢	65.5¢	62.7¢
Consolidated net income after extraordinary items	72.4¢	50.6¢	62.7¢
Net flow of funds from operations	198.2¢	159.9¢	129.9¢
Dividends paid			
On Class A stock	30.0¢	30.0¢	29.0¢
On Class B stock	25.5¢	25.5¢	24.8¢
Ratios			
Consolidated net income before extraordinary items as a percentage of revenue	4.0	4.0	4.5
Consolidated net income after extraordinary items as a percentage of revenue	3.9	3.1	4.5
Ratio of current assets to current liabilities	1.5	1.6	1.3

*Per share data is based on an average of 8,142,883 shares outstanding for 1975, 8,039,475 shares for 1974, and 8,000,000 shares for 1973 and prior years. Shares were first offered to the public in March 1965.

1972	1971	1970	1969	1968	1967	1966
\$ 44,415	\$ 39,869	\$ 39,211	\$ 39,007	\$ 34,835	\$ 35,123	\$ 33,856
3,123	2,807	328	....	....	....	....
10,114	8,631	7,687	6,907	4,747	4,138	2,807
9,833	7,732	4,930	3,151	1,227	741	....
12,272	9,781	8,829	9,435	6,860	10,377	5,970
118	11	156	89	24	46	39
\$ 79,875	\$ 68,831	\$ 61,141	\$ 58,589	\$ 47,693	\$ 50,425	\$ 42,672
\$ 64,958	\$ 57,170	\$ 52,042	\$ 48,683	\$ 41,854	\$ 42,814	\$ 36,938
2,965	2,456	1,955	1,561	1,031	907	755
1,014	1,165	728	774	392	279	198
\$ 68,937	\$ 60,791	\$ 54,725	\$ 51,018	\$ 43,277	\$ 44,000	\$ 37,891
\$ 10,938	\$ 8,040	\$ 6,416	\$ 7,571	\$ 4,416	\$ 6,425	\$ 4,781
5,184	4,053	3,380	4,009	2,295	3,216	2,378
5,754	3,987	3,036	3,562	2,121	3,209	2,403
15	32	16	(19)	(67)	17	2
1,053	545	395	32	....	....	....
4,716	3,474	2,657	3,511	2,054	3,226	2,405
....	41	438	254	111	....	....
\$ 4,716	\$ 3,515	\$ 3,095	\$ 3,765	\$ 2,165	\$ 3,226	\$ 2,405
\$ 9,545	\$ 7,589	\$ 6,220	\$ 6,119	\$ 4,172	\$ 4,594	\$ 3,900
1,764	1,377	1,332	1,110	1,110	1,203	936
22,152	14,455	13,015	12,248	9,440	7,916	9,178
17,211	10,384	11,042	21,639	7,411	6,728	6,055
\$ 4,941	\$ 4,071	\$ 1,973	\$ (9,391)	\$ 2,029	\$ 1,188	\$ 3,123
\$ 24,023	\$ 21,871	\$ 20,360	\$ 16,349	\$ 11,665	\$ 9,002	\$ 8,532
72,666	54,353	49,564	42,803	30,959	25,857	24,943
4,303	4,164	4,187	4,136	3,926	3,426	3,375
12,494	11,500	9,340	....	6,007	3,210	5,376
5,838	5,117	3,870	3,180	2,649	2,266	1,866
11,513	5,744	5,727	510	194	417	166
\$ 21,307	\$ 17,444	\$ 15,398	\$ 13,338	\$ 10,772	\$ 9,810	\$ 8,105
58.9¢	43.4¢	33.2¢	43.9¢	25.7¢	40.3¢	30.0¢
58.9¢	43.9¢	38.7¢	47.1¢	27.1¢	40.3¢	30.0¢
119.3¢	94.8¢	77.8¢	76.5¢	52.2¢	57.4¢	48.8¢
24.8¢	18.8¢	18.0¢	15.0¢	15.0¢	16.3¢	12.5¢
20.9¢	16.0¢	15.3¢	12.8¢	12.8¢	13.8¢	10.9¢
5.9	5.0	4.4	6.0	4.3	6.4	5.6
5.9	5.1	5.1	6.4	4.5	6.4	5.6
1.3	1.4	1.2	.6	1.3	1.2	1.5

Directors and Officers

* Director

Maclean-Hunter Limited, Toronto
(416) 595-1811

* Donald F. Hunter, Chairman of the Board
* Donald G. Campbell, President and Chief Executive Officer
* Lorne R. Clark, Vice-President, Finance
* George W. Gilmour, Vice-President
* Lloyd M. Hodgkinson, Vice-President, Magazines
* Edward Nymark, Vice-President, Printing
* Robert W. Robertson, Vice-President, Business Publications
* Doris Anderson, Editor, Chatelaine
* Floyd S. Chalmers
* Paul S. Deacon, Editor and Publisher, The Financial Post
* John M. Holton
* Arthur J. Little
* Frederick T. Metcalf, President, Maclean-Hunter Cable TV Limited
* Peter C. Newman, Editor, Maclean's
Keith Campbell, Vice-President, Broadcasting and Corporate Development
Matthew B. Fyfe, Controller & Treasurer
Harvey T. M. Botting, Corporate Secretary
Ernest J. Cozens, Assistant Treasurer
Jane Wile, Assistant Secretary

Maclean-Hunter Cable TV Limited, Toronto
(416) 677-5930

* Donald G. Campbell, Chairman of the Board
* Frederick T. Metcalf, President
* J. Barry Gage, Vice-President & General Manager
* Gilbert A. Allard
* Colin M. Brown
* Lorne R. Clark
* Donald F. Hunter
* Robert J. Prettie
John Haughey, Secretary-Treasurer

CFCN Communications Limited, Calgary
(403) 249-9101

* Donald G. Campbell, Chairman of the Board
* Edward W. Chapman, President
* Donald F. Hunter
* Robert W. Lamb
* Sven Erickson
* J. Edward O'Connor
Gerald J. Luciani, Secretary-Treasurer

CFCN Television Limited and The Voice of the Prairies Limited, Calgary
(403) 249-9101

* Donald G. Campbell, Chairman of the Board
* Edward W. Chapman, President
* Norman Haines, Vice-President-Manager (Radio)
* Robert W. Lamb, Vice-President
Gerald J. Luciani, Vice-President, Finance and Secretary-Treasurer
* Herbert G. Marshall, Vice-President-Manager (TV)
* J. Edward O'Connor

Co-operative Book Centre of Canada Limited, Toronto
(416) 751-3530

* Donald G. Campbell, Chairman of the Board
* Lorne R. Clark, President
* George M. Harwood, Executive Vice-President
* George W. Gilmour
* Donald F. Hunter
* Martin P. Smee
* John M. Smith, Secretary and Controller

Business Forms Division, Metro Toronto News Company Limited, Toronto
(416) 677-1490

Edward Nymark, Chairman
John Greenough, Vice-President and General Manager, Data Business Forms Division
Kenneth Hains, Vice-President and General Manager, Redi-Set Business Forms Division
John B. Hoyle, Vice-President and General Manager, Pakfold Business Forms Division
Alec Gardiner, Vice-President, Sales, Data Business Forms Division
Donald G. Campbell
Lorne R. Clark
Donald F. Hunter
Matthew B. Fyfe, Secretary

Design-Craft Limited, Toronto
(416) 252-3361

* Donald G. Campbell, Chairman of the Board
* George W. Gilmour, President
* Robert M. Gowdy, General Manager
* Lorne R. Clark, Treasurer
* John A. Fisher
Harvey T. M. Botting, Secretary

Greatlakes Broadcasting System Limited, Kitchener-Chatham
(519) 743-2611
* Donald F. Hunter, Chairman of the Board
* Donald G. Campbell, President
Douglas C. Trowell, Executive Vice-President
* John E. Larke, Vice-President & General Manager – CHYM-AM, CKGL-FM
* Donald Reiffenstein, Vice-President & General Manager – CFCO
Dorman G. Ulens, Secretary-Treasurer

Maclean-Hunter Communications Ltd., Toronto
(416) 249-8455

* Frederick T. Metcalf, Chairman of the Board
* Gilbert A. Allard, President
* J. Barry Gage, Secretary-Treasurer
* Donald G. Campbell

Maclean-Hunter Limited, London, England
01 43700644

* George W. Gilmour, Chairman of the Board
* Robin M. Cobb, Deputy Chairman and Managing Director
* Gerald J. Brigg
* G. M. James
* Peter Lister

* J. Ken Scott
* Moss J. A. Walters
Marjorie Price, Secretary

Maclean-Hunter Publishing Corporation, Chicago, U.S.A.
(312) 726-2802

* Donald G. Campbell, Chairman of the Board
* Joseph J. O'Neill, President and Treasurer
* Mae J. Sylvester, Secretary
* George W. Gilmour
* John F. Heffinger

Macmillan Company of Canada Limited, Toronto
(416) 362-7651

* Donald G. Campbell, Chairman of the Board
* Hugh P. Kane, Vice-Chairman
* George W. Gilmour, President
* J. William Baker, Vice-President and General Manager

* Gladys E. Neale, Vice-President
* Patrick D. A. Meany, Vice-President
* Doris H. Anderson
* Floyd S. Chalmers
* John M. Gray
Walter Rochford, Controller & Treasurer

Metro Toronto News Company Limited, Toronto

(416) 755-1166
* Donald G. Campbell, Chairman of the Board
* Lorne R. Clark, President
* James B. Neill, Executive Vice-President
* Donald F. Hunter
* Edward Nymark
Alex C. Petraitis, Secretary & Controller

National Market Reports, Inc., Chicago, U.S.A.
(312) 427-3464

* Joseph J. O'Neill, Chairman of the Board
* John F. Heffinger, President
* Mae J. Sylvester, Secretary-Treasurer
* Donald G. Campbell
* George W. Gilmour
Emily Allen, Assistant Secretary

Shoreacres Broadcasting Company Limited, Toronto
(416) 361-1281

* Donald G. Campbell, Chairman of the Board
* Douglas C. Trowell, President
* Stuart C. Brandy, Vice-President and General Manager
* Donald F. Hunter
Dorman G. Ulens, Secretary-Treasurer

Westbourne-Maclean Hunter (Pty) Limited, Johannesburg, South Africa

22 1751
* George W. Gilmour, Chairman of the Board
* Henry Beckman, Managing Director
* Donald G. Campbell
* Maurice E. Newbound

Addresses

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Maclean-Hunter Limited
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(416) 595-1811

Maclean-Hunter Cable TV Limited
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Montreal
Maclean-Hunter Limited
625 President Kennedy Avenue
Montreal, P.Q. H3A 1K5
(514) 845-5141

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Maclean-Hunter Limited
Financial Post & Business Publications
Ste. 311, 151 Sparks Street
Ottawa, Ontario K1P 5E3
(613) 236-0895

Maclean-Hunter Limited
Consumer Magazine Division
National Press Building
Ste. 507, 150 Wellington Street
Ottawa, Ontario K1P 5A4
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Oilweek
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Calgary, Alta. T2P 0V5
(403) 266-5621
CFCN Communications Limited
Broadcast House
Calgary, Alta. T3C 3L9
(403) 249-9101

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942-10830 Jasper Avenue
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Johannesburg 2000
22 1751

Brazil
Corena Ltda.
Caixa Postal 30493
Sao Paulo
227 1022

Switzerland
Media Daten AG
Malz Strasse 17
8045 Zurich
6615 22

\$ 44,415	\$ 39,869	\$ 39,211	\$ 39,007	\$ 34,835	\$ 35,123	\$ 33,856
3,123	2,807	328	....	....	1967	1966
10,114	8,631	7,687	6,907	4,747	4,138	2,807
9,833	7,732	4,930	3,151	1,227	741	....
12,272	9,781	8,829	9,435	6,860	10,377	5,970
118	11	156	89	24	46	39
\$ 79,875	\$ 68,831	\$ 61,141	\$ 58,589	\$ 47,693	\$ 50,425	\$ 42,672
\$ 64,958	\$ 57,170	\$ 52,042	\$ 48,683	\$ 41,854	\$ 42,814	\$ 36,938
2,965	2,456	1,955	1,561	1,031	907	755
1,014	1,165	728	774	392	279	198
\$ 68,937	\$ 60,791	\$ 54,725	\$ 51,018	\$ 43,277	\$ 44,000	\$ 37,891
\$ 10,938	\$ 8,040	\$ 6,416	\$ 7,571	\$ 4,416	\$ 6,425	\$ 4,781
5,184	4,053	3,380	4,009	2,295	3,216	2,378
5,754	3,987	3,036	3,562	2,121	3,209	2,403
15	32	16	(19)	(67)	17	2
\$ 9,545	\$ 7,589	\$ 6,220	\$ 6,119	\$ 4,172	\$ 4,594	\$ 3,900
1,764	1,377	1,332	1,110	1,110	1,203	936
22,152	14,455	13,015	12,248	9,440	7,916	9,178
17,211	10,384	11,042	21,639	7,411	6,728	6,055
\$ 24,023	\$ 21,871	\$ 20,360	\$ 16,349	\$ 11,665	\$ 9,002	\$ 8,532
72,666	54,353	49,564	42,803	30,959	25,857	24,943
4,303	4,164	4,187	4,136	3,926	3,426	3,375
12,494	11,500	9,340	....	6,007	3,210	5,376
5,838	5,117	3,870	3,180	2,649	2,266	1,866
111,513	5,744	5,727	510	194	417	166
\$ 21,307	\$ 17,444	\$ 15,398	\$ 13,338	\$ 10,772	\$ 9,810	\$ 8,105
58.94	43.44	33.24	43.94	25.74	40.34	30.04
24.84	18.84	18.04	15.04	15.04	16.34	12.54
20.94	16.04	15.34	15.34	12.84	13.84	10.94
5.9	5.0	4.44	6.0	4.3	6.4	5.6
5.9	5.1	5.1	6.4	4.5	6.4	5.6
5.9	5.1	5.1	6.4	4.5	6.4	5.6
5.9	5.1	5.1	6.4	4.5	6.4	5.6
5.9	5.0	4.44	6.0	4.3	6.4	5.6
1972	1971	1970	1969	1968	1967	1966

Maclean-Hunter Limited (en millions de dollars)

1975	1974	1973	Revenues
Periodiques et livres — Edition			
\$ 65,452	\$ 58,736	\$ 54,767	Distributions
30,801	26,708	21,761	Teledistribution
15,401	13,435	11,305	Teledistribution
16,706	13,965	11,927	Tirage et autres
23,230	19,392	12,569	Revenu de placements
88	73	32	Total des revenus
\$151,678	\$132,309	\$112,361	Depenses
\$127,752	\$111,841	\$ 95,138	Depenses d'exploitation
5,081	4,222	3,615	Amortissements
2,750	3,168	1,904	Depense d'interet
\$135,583	\$119,231	\$100,657	Total des depenses
\$ 16,095	\$ 13,078	\$ 11,704	Benefice avant impots sur le revenu
8,103	6,371	5,968	Impots sur le revenu
7,992	6,707	5,736	Benefice avant les postes suivants
6,084	5,264	5,019	Participation aux benefices (peretes) nets
(81)	34	69	de compagnies affiliées ou sous contrôle effectif
1,827	1,477	786	Detenre participation minoritaire
6,084	5,264	5,019	Benefice avant postes extraordinaires
6,088	5,676	5,109	Revenu net non gagné d'édition
112,454	\$ 34,217	\$ 29,253	Total de l'actif
\$ 38,907	\$ 34,217	\$ 29,253	Proprietes
26,432	21,943	22,134	Mobilis: Passif à court terme
40,077	35,170	27,878	Actif à court terme
\$ 13,645	\$ 13,227	\$ 5,744	Fonds de roulement
\$ 38,907	\$ 34,217	\$ 29,253	Total de l'actif
112,454	102,721	90,295	Revenu net non gagné d'édition
6,088	5,676	5,109	Detenre long terme
26,545	28,942	21,095	Impots sur le revenu reportés
10,040	7,305	6,003	Participation minoritaire dans des filiales
13,302	12,524	11,980	Avoir des actionnaires
\$ 30,047	\$ 26,331	\$ 23,974	Demandes verses
25,54	25,54	24,84	Rapports
30,04	30,04	29,04	Sur actions, classe A
25,54	25,54	24,84	Sur actions, classe B
1,6	1,6	1,3	Rapport de l'actif à court terme avec le passif à court terme
3,9	3,1	4,5	Comme pourcentage des revenus
4,0	4,0	4,5	Benefice net consolidé après postes extraordinaires
74,74	65,54	62,74	Benefice net consolidé avant postes extraordinaires
72,44	50,64	62,74	Benefice net consolidé après postes extraordinaires
198,24	159,94	129,94	Rentree nette de fonds provenant de l'exploitation
65,54	65,54	62,74	Benefice net consolidé avant postes extraordinaires
30,04	30,04	29,04	Rapport de l'actif à court terme avec le passif à court terme
1,6	1,6	1,3	Autres

Sommaire décainal

Autres. Les actions ont été offertes pour la première fois au public en mars 1965. 8,142,883 actions en circulation en 1975, 8,039,475 actions en 1974 et 600,000 d'actions en 1973 et au cours des exercices

Tableau sur les états financiers consolidés

10. Programme anti-inflationniste

10. **Programme anti-inflationniste**

(b) La Compagnie et ses filiales se sont engagées à payer des loyers annuels s'élevant à \$2,066,000 et relatifs à des locaux et à de l'équipement pour des périodes allant jusqu'à 13 ans.

avec effet au 14 octobre 1975, le Gouvernement fédéral a adopté la Loi anti-inflation dont l'application ainsi que celle du règlement émis par la

Le 15 avril 1976.
Comptables agréés

Д. варгъ месникъ

Rapport des vérificateurs

Deux filiales en propriété partagée, CFCN Television Limited (possédée à 60% par Maclean-Hunter Cable TV Limited) et CFCN Television International Limited (possédée à 61,7% par Maclean-Hunter Cable TV Limited), sont détenues à 49,5% par Maclean-Hunter Holdings Limited, compagnie constituée pour acquérir 3,424,098 actions (42%) de Maclean-Hunter Limited. Le placement total dans Maclean-Hunter Holdings Limited par ces filiales s'élève à \$12,545,000 et sera financé en partie par l'utilisation des fonds disponibles actuels et par des emprunts bancaires à terme.

12. Examination of the patient

La remunération globale directe des administrateurs et des cadres supérieurs (selon la définition de la loi intitulée The Business Corporations Act (Ontario) — 19 personnes au total en 1975 et 17 en 1974) s'est élevée à 784,000 en 1975 et à \$718,000 en 1974.

12. Renseignements statutaires

11. Reclassification des compétences Certaines reclassifications ont été effectuées dans les compétences en 1975. Ces chiffres comparatifs de 1974 ont été redressés en vue de les rendre conformes aux classifications de 1975.

uite est prévenue jusqu'au 31 décembre 1978. Aux termes de cette législation, la Compagnie et ses filiales canadiennes sont tenues de se conformer aux contrôles des prix, des marges bénéficiaires, de la remunération et des dividendes. Les dividendes (y compris les importations et les surplus des dividendes) aux actionnaires de la Compagnie au cours de la période de douze mois se terminant le 13 octobre 1978 ne peuvent pas dépasser 30% par action.

Les dividendes versés sur les actions, classe A, sont équivalents à ceux versés sur les actions, classe B, soit 30.0¢ par action	\$ 783,000	\$ 769,000	1975
Actions, classe A - 30.0¢ par action	\$ 783,000	\$ 769,000	1974
Actions, classe B - 30.0¢ par action	\$ 783,000	\$ 769,000	1975
Actions, classe B - 30.0¢ par action	\$ 783,000	\$ 769,000	1974
Impôt			
moins un impôt de 4.5¢ par action	1,411,000	1,399,000	
Actions, classe B - 30.0¢ par action	2,194,000	2,188,000	
Actions, classe A - 30.0¢ par action	2,194,000	2,188,000	
Impôt			
moins un impôt de 4.5¢ par action	1,411,000	1,399,000	
Actions, classe B - 30.0¢ par action	2,194,000	2,188,000	
Actions, classe A - 30.0¢ par action	2,194,000	2,188,000	
Impôt			
Le surplus d'apport a augmenté de \$13,000 au cours de l'exercice	\$ 2,443,000	\$ 2,415,000	
Le surplus d'apport à un gain sur le rachat d'actions privilégiées d'une	\$ 2,443,000	\$ 2,415,000	
1974 - \$2,000) suite à un gain sur le rachat d'actions privilégiées d'une	\$ 2,443,000	\$ 2,415,000	

Revenu non réparti en 1971	\$ 577,000
Surplus de capital en 1971	\$ 21,500,000
	\$ 22,077,000

gains en capital) peuvent étre déclarés par la Compagnie sur les actions, classe B. Ces dividendes sont présumés provenir en premier lieu du revenu non reporté en 1971 après paiement par la Compagnie de l'impôt de 15% sur les bénéfices, et en second lieu, lorsque cette source est épuisée, du surplus de capital sur lequel la Compagnie n'est exigeable de la Compagnie. Au 31 décembre 1975, la Compagnie avait en main les montants approximatifs suivants de résultats :

(ii) Surplus à appoter -

8. Postes extraordinaires

9. **Passif d'éventuel et engagements**

- (a) Au 31 décembre 1975, des procès intentés contre la Compagnie et certains de ses filiales décollant du cours normal des affaires étaient en suspens. D'après les conseillers juridiques dont les services ont été retenus pour défenrir la Compagnie dans ces procès, la direction est d'aviser que les recriminations des demandeurs, le cas échéant, ne seront pas imputées à la Compagnie et que dans ces procès, les services ont été retenus pour défenrir les conseillers juridiques dont les services ont été retenus pour des périodes allant jusqu'à 13 ans.
- (b) La Compagnie et ses filiales se sont engagées à payer des loyers annuels s'élevant à \$2,666,000 et relatives à des locaux et à de l'équipement pour des périodes allant jusqu'à 13 ans.

9. Passif éventuel et engagements

Radiation du placement dans Phasecom	191,000	\$ 210,000	Maclean-Hunter Cable TV Limited	191,000	\$ 210,000
Corporation, compagnie affiliée à			Mediaan-Hunter Cable TV Limited		
Radiation du placement dans Phasecom	191,000	\$ 210,000	Mediaan-Hunter Cable TV Limited	191,000	\$ 210,000
Corporation, compagnie affiliée à			Mediaan-Hunter Cable TV Limited		
Radiation du placement dans Phasecom	191,000	\$ 210,000	Mediaan-Hunter Cable TV Limited	191,000	\$ 210,000

Le détail des postes extraordinaires est le suivant:

Floyd S. Chalmers

Administrateur

Diagram 2: Diagrams

A handwritten signature 'J. R. Green' is written in cursive script. To the right of the signature is a simple line drawing of a bird's head, facing right, with a large eye and a beak.

Au nom du Conseil: administrateur

Passif à court terme:		
Empreunts bancaires (garantis par des comptes à recevoir)		
Comptes à payer et frais courus		
Impôts sur le revenu et autres taxes à payer		
Dividendes à payer		
Dettes à long terme échéant en dégå d'un an		
Revenu non gagné de télédistribution		
Total du passif à court terme		
Revenu non gagné d'édition		
Dettes à long terme (note 5)		
Impôts sur le revenu reportés		
Participation minoritaire dans des filiales		
Avoir des actionnaires (note 7):		
Capital		
Surplus d'apport		
Bénéfices non reportés		
1,202,000	1,455,000	1,517,000
1,504,000	2,075,000	2,075,000
23,625,000	27,075,000	27,075,000
26,331,000	30,047,000	30,047,000
\$ 102,721,000	\$ 112,454,000	\$ 112,454,000

Maclean-Hunter Limite (Constitutive relation based on the Onate ratio) 31 decembre 1975 (avec chiffres comparatifs au 31 decembre 1974)

Etat consolidé de la situation financière

(Voir les notes ci-jointes)

Placements et avances:		
Depôts à court terme		
Comptes à recevoir		
Stocks		
Frais payés d'avance		
Total de l'actif à court terme	35,170,000	
Comptes affiliés ou sous contrôle effectif		
Autres compagnies (note 6)		
Total des placements	2,928,000	
Propriétés (note 4)	34,217,000	
Achalandage (note 2)	28,978,000	
Autres éléments d'actif (note 7)	1,459,000	
Total de l'actif à court terme	\$112,454,000	
Etat consolidé de la situation financière	\$102,721,000	

Actif à court terme:

ACTIF

1975

1974

Maclean-Hunter Limitee (Constituée selon les lois de l'Ontario)
31 décembre 1975 (avec chiffres comparatifs au 31 décembre 1974)

Etat consolidé de l'évolution de la situation financière

Maclean-Hunter Limited Pour l'exercice terminé le 31 décembre 1975 (avec chiffres comparatifs pour l'exercice 1974)

Exploitation —	Benefice net consolidé avant postes extraordinaires	\$ 5,264,000	412,000	Augmentation du revenu net non gagné d'édition	Montants déduits dans le calcul du bénéfice net consolidé ne nécessitant pas une sortie de fonds
Amortissements	5,081,000	2,735,000	1,827,000	Impôts sur le revenu reportés	Participation sur le revenu reportés
4,222,000	1,324,000	1,477,000	1,422,000	Augmentation de la dette à long terme	Acquisitions d'entreprises —
12,854,000	16,139,000	2,175,000	348,000	Contrepartie versée au cours de l'exercice	Déduire fonds de roulement acquis
27,276,000	18,662,000	692,000	(171,000)	Sortie nette	Acquisitions aux propriétés (net)
146,000	(142,000)	521,000	(171,000)	Sortie nette	Augmentation des placements
4,000	4,000	4,572,000	4,900,000	Rachat d'actions privilégiées d'une filiale	Reduction de la dette à long terme
8,977,000	9,212,000	4,572,000	4,900,000	Rachat d'actions privilégiées d'une filiale	Augmentation aux propriétés (net)
6,684,000	6,684,000	282,000	282,000	Frais reportés de mise au point des systèmes	Frais de participation
180,000	180,000	170,000	170,000	Informations (net)	Dividendes
457,000	457,000	2,443,000	2,443,000	Dividendes de filiales versées à la participation	Dividendes minoritaire
433,000	433,000	554,000	—	Total de l'utilisation des fonds	Divers
2,415,000	2,415,000	554,000	—	Augmentation du fonds de roulement	Fonds de roulement à la fin de l'exercice
208,000	208,000	19,793,000	18,244,000	Total de l'utilisation des fonds	Fonds de roulement à la fin de l'exercice
7,483,000	7,483,000	418,000	418,000	Augmentation du fonds de roulement	Fonds de roulement au début de l'exercice
5,744,000	5,744,000	13,227,000	13,227,000	Augmentation du fonds de roulement	Fonds de roulement au début de l'exercice
567,000	567,000	\$ 6,084,000	412,000	Benefice net consolidé avant postes extraordinaires	

(Voir les notes ci-jointes)

Revenus:			
Periodiques et livres — Edition			
Diffusion			
Télédistribution			
Trigage et autres			
Revenu de placements			
Total des revenus	151,678,000	\$ 65,452,000	\$ 58,736,000
— Distribution			
Periodiques et livres — Edition			
Diffusion			
Télédistribution			
Trigage et autres			
Revenu de placements			
Total des revenus	151,678,000	132,309,000	131,841,000
Expenses:			
Depenses d'exploitation	127,752,000	111,841,000	4,222,000
Amortissements	5,081,000	5,081,000	3,168,000
Depense d'interet (note 5)	2,750,000	2,750,000	16,095,000
Benefice avant impots sur le revenu	13,078,000	13,078,000	16,095,000
Impots sur le revenu	8,103,000	6,371,000	13,078,000
Benefice aux benefices (perles) nets	6,707,000	6,707,000	7,911,000
Participation aux benefices (perles) nets	34,000	(81,000)	7,911,000
Participation minoritaire	(1,477,000)	(1,477,000)	6,741,000
Benefice net consolidé avant postes extraordinaires	5,264,000	6,084,000	5,264,000
Postes extraordinaires (note 8)	(1,196,000)	(191,000)	4,068,000
Benefice net consolidé de l'exercice	5,893,000	6,084,000	23,625,000
Benefices non repartis au debut de l'exercice	23,625,000	21,972,000	23,625,000
Benefice net consolidé à la fin de l'exercice	2,443,000	2,443,000	2,415,000
Dividendes (note 7)	2,415,000	2,415,000	2,415,000
Benefice par action du capital-actions	74,74	65,54	65,54
Benefice net consolidé avant postes extraordinaires	65,54	(2,34)	72,44
Postes extraordinaires	(2,34)	(14,94)	50,64
Benefice net consolidé	50,64		

Etats consolidés des bénéfices et des bénéfices non répartis

Maclean-Hunter Ltd pour l'exercice terminé le 31 décembre 1975 (avec chiffres comparatifs pour l'exercice 1974)

1975

bénéfices non répartis



1975 DE MACLEAN-HUNTER
ÉTATS FINANCIERS CONSOLIDÉS

EXPLORATIONS INTERNATIONALES

Les bénéfices de National Market Reports, filiale en propriété exclusive qui publie une série de guides indiquant les prix des vêtements, ont augmenté de plus de 100% par rapport à 1974. Un projet de lancement d'une nouvelle publication en 1976, National Boat Book, a été mis à l'œuvre.



AUTRES SERVICES

M-H Microfilm. M-H Microfilm Services est un service qui vend de la documentation canadienne sur microfilm aux écoles et bibliothèques dans tout le Canada. Bureau de recherche. Le Bureau de recherche de Maclean-Hunter poursuit des enquêtes et publie des rapports sur les principaux marchés pour ses clients. Le Bureau de recherche a mené 35 enquêtes importantes au cours de l'année.

Direct Mail, Direct Mail Services, services, service qui loue les listes de diffusion justifiée des revues spéciales et du journal Financial Post de Maclean-Hunter, a aussi réalisé des bénéfices en 1975. M-H Mailings, Maclean-Hunter Mail Service qui offre des services comme le service de mise à la poste à ceux qui entreprennent des campagnes de publicité. Ce groupe a connu des difficultés en 1975 par suite des deux grèves postales.

Frasers, Fraser's, division de Co-opérative Book Center of Canada, publie un annuaire commercial général et un annuaire semblable sur la construction. Ces publications continuent de progresser régulièrement et contribuent à l'appart d'une partie importante des bénéfices de Maclean-Hunter.

CPCs, Canadian Press Clip- ping Service, argues qui fournit des coupures de journaux et de magazines nationaux, a réalisé des bénéfices élèves en 1975.

duelement.

Trois services de secrétariat tels-
l'éphonique ont été discontinués
durant l'année dans la périphérie,
et les services outre-frontière de
Buffalo et de Niagara Falls, N.Y.
ont aussi été abandonnés grâ-
ces à

Elle a réalisé des bénéfices sud-ouest de Québec. Pour la première fois en 1975.

La vente des produits Phase-
com s'est poursuivie à un
rythme beaucoup plus lent que
l'année précédente. Les ventes
d'appareils de mesure et de
contrôle ont fortement accusé des
dépenses, toutefois la vente de
logiciels a connu une croissance
de 15% en 1975. Phasecom a donc subi, en 1975,
une autre perte qui a obligé la so-
ciété à réduire son investissement

Phasécom. Cette société dont le siège social est en Californie, fabrique du matériel spécial destiné à l'industrie,特别是syntonisation de la télédiffusion de la radio et de la télévision dans le Nord.

établient abonnées au service super-
plémentaire de télévision pa-
yante.



de télévision payante sont partagées également entre Suburban et le fournisseur. À la fin de 1975, Suburban pouvait offrir ses services à 12 000 foyers et comptait 1000 abonnés au service de télévision payante. En 1979, Suburban a obtenu une licence de télévision payante pour la région de Québec. Ses services sont maintenant disponibles dans 3000 maisons et 12000 personnes sont abonnées au service de télévision payante.

Suburban. Une acquisition très importante de M-H Cable a été l'achat, en 1975, de 75% des intérêts de Suburban Cablevision du New Jersey, société américaine de télédistribution possédant des franchises dans 11 localités du comté d'Essex au New Jersey. Elle a subseqüemment obtenu une douzaine franchise dans le comté d'Hudson.

Suburban a commencé la construction de ses installations dans ces localités durant l'été de 1975 et a commencé à brancher les abonnés aux câbles au début de l'automne 1976. Suburban offre aussi un service de télévision payante moyennant des frais fixes. Les revenus rétires des frais mensuels de \$8 demandes pour ce service.

Suburban offre aussi un service de télévision payante moyennant des frais fixes. Les revenus rétires des frais mensuels de \$8 demandes pour ce service.

ment à 225 000 l'année précédente.

243 000 abonnees comparative
Hunter Cable TV possedait
A la fin de l'annee, Maclean-
les regjons.

M-H Cable a obtenu du C.R.T.C. le prolongement des lignes de Mississauga et de la ville d'Ajax. Le C.R.T.C. a aussi renouvelé toutes les licences de M-H Cable pour des périodes allant de deux à cinq ans, suivant ordonnances.

Le succès qu'a obtenu l'entre-
prise en 1975 s'est traduit par la
prise en 1976 d'un premier divi-
dende trimestriel sur les actions

En 1975, la Société a réalisée des revenus de \$16 706 000 et des revenus nets consolidés de \$2 335 000 avant déduction d'un

Maclean-Hunter TV Limited est une filiale à participation de 61,7% de Maclean-Hunter Limitee. Cette filiale dont le siège social est à Toronto, exploite, soit directement ou par l'entremise de filiales, 19 installations de télé- distribution dans 22 localités de l'Ontario et des Territoires.

TELEDISTRIBUTION

Recompenses. Lyne Gordon, animatrice de l'émission Consul- mer Desk à CKÉY, a été recon- nue par le Gouvernement de l'Ontario comme l'une des 25 femmes de l'Ontario qui ont contribué de manière remarqua- ble à l'amélioration de la vie de diennes en général. La station de radio CFN a reçu une mention spéciale du Calgary Safety Coun- cil pour son service Trafficalwatch de surveillance de la circulation en hélicoptère. Les établisse- ments de Clagarry et de Letch- bridge ont été honorés de cinq prix à l'occasion du concours Télé-émission Bureau Cross Canada. Compétition.

Shoreacres à Towndrow, filiale de Shorea-
Newsradio, filiale de Shorea-
cres, est un service de radiodiffu-
sion nationale qui serre 40 stations
canadiennes abonnées. Il pos-
sède maintenant des bureaux
d'informations à Toronto, Ot-
awa et Victoria et transmet des
informations au réseau de radio-
diffusion CBS des Etats-Unis.
Stephens & Towndrow, filiale
de Shoreacres à participatior de
80%, vend du temps radio et du
temps TV pour les autres sta-
tions. Ses bénéfices ont été nette-
ment supérieurs par compara-
ison à la perte de 1974.

sommet chez les adultes de plus de 18 ans qui ont été à l'écoute de la station 6,5 millions d'heures

CGO dont les ventes totales sont éte supérieures de 10% en 1974, a connu la meilleure année de son existence. Les ventes au détail repèrent 81% du total des revenus. Le programme de musique semi-classique se poursuit tout en accordant une large place dans la programmation, à des émissions d'interêt local.

Shoreacres/CKEY a continué d'accorder une large part aux affaires publiques et à la diffusion de musique semi-clas- sique à son auditoire de la région de Toronto. La cote d'écoute de cette station a atteint un niveau

émissions pour adultes le jour et des émissions de jour et en soirée. CKGL-FM, anciennement CHYM-FM, maintenant son programme de musique rustique continue.



de 24% par rapport à 1974. La station de télévision CFCN a étendu sa diffusion au sud-est de l'Alberta à l'aide d'un réseau de 10% en 1975. Des changements de CHYM-AM ont augmenté de 10% les ventes totales de Géraldakés. Les ventes totales ont été apporées au programme de CHYM-AM en 1975. Des changements de CHYM-AM ont maintenu des ventes totales sud de l'Alberta. Une demande de licence a été déposée au C.R.T.C. pour éten-dre sa diffusion à Calgary et au sud de l'Alberta.

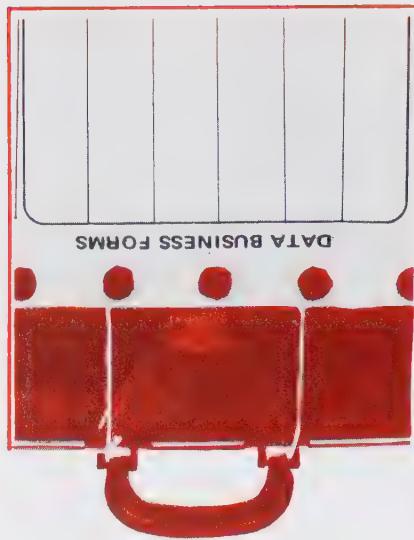
Redi-Set. Au cours des années, la Division des formulaires commerciaux Redi-Set, a acquis une renommée par ses services et la qualité de ses produits ainsi que par la mise au point d'une méthode de vente par système. L'amélioration du débit des circuits qui procurent ces formulaires permet aux clients de réaliser de plus grandes économies globales et d'obtenir une efficacité et une confiance supérieures qui se traduisent par l'accroissement des ventes futures par suite de la satisfaction de la clientèle.

prime des formulaires commerciaux spécialement conçus pour détaillants qui forment une petite répartition dans tout le pays. Ses principaux produits sont les formulaires de registres, ensemble Paksets et les formulaires en continu d'informations multiples.

FORMULAIRES COMMERCIAUX

Impression commerciale. Les ventes du Service des ventes de l'impression commerciale, qui offre des services d'impression à des clients extérieurs à la maison Maclean-Hunter, ont dépassé de 22% celles de 1974, et les bénéfices ont augmenté de 17%. Les ventes sont surtout concentrées sur l'offre d'impression de magazines et catalogues. Ce service présente un potentiel d'accroissement considérable.

La consommation totale de papier a diminué en 1975; cette réduction a principalement affecté la consommation des services et des entreprises. La consommation totale de papier a diminué en 1975; cette réduction a principalement affecté la consommation des services et des entreprises. La consommation totale de papier a diminué en 1975; cette réduction a principalement affecté la consommation des services et des entreprises. La consommation totale de papier a diminué en 1975; cette réduction a principalement affecté la consommation des services et des entreprises.



génétiqe ue spéci ale a être ajoute e et a permettre d'obtenir des commandes im portantes d'entreprises com- merciales et de penetrer dans- tage le marché des principales so- cietés finan cières.



Les améliorations permettent la spécialisation dans l'impression finis, de l'amélioration des services, de la qualité et la réduction des frais qui en résultent. Environ 40% des textes de nos

Data. En dépit de la concurrence plus forte qui s'exerce dans ce secteur, cette division a réussi à maintenir la position qu'elle occupait dans ce marché. Au cours de l'année, du matériel de codage des cheques à l'aide d'encres ma-

En 1975, l'approvisionnement en papier a été plus abondant qu'en 1974, mais l'activité de l'entreprise dans le secteur des formulaires commerciaux de toutes sortes a été sensiblement la même que celle de l'année précédente.

Maclean-Hunter, qui a acquis la réputation d'une entreprise offre un large éventail de services complets dans le domaine des communications, possède un grand nombre d'anciennes d'expériences dans le domaine de l'impression. L'interêt croissant que la société porte aux formulaires commerciaux est une extension naturelle de l'entreprise.

IMPRESSION

Le Centre Co-op est actuelle-
ment à élaborer une nouvelle mé-
thode d'inscription des comman-
des qui il espère pourvoir utiliser
vers le milieu de 1976. Cette me-
thode aidera la Société à raffermir
sa position dans le marché des bi-
bliothèques publiques. Une par-
tie de la base se subit dans le mar-
ché des bibliothèques publiques. Puisque
est attribuable aux hausses de
prix dévenus en vigueur en jan-
vier 1975. Cependant, les services
accrus qu'offre la Le Centre Co-op
fèrent plus que compenser la ré-
percussion de ces hausses de
prix.

L'execution des commandes a constitue un probleme constant pour les distributeurs du Canada à cause du mauvais service de certains éditeurs. Un grand nom bre d'éditeurs ont toutefois amélioré leurs méthodes durant l'année 1975 de sorte que le Centre Co-op a pu ainsi hausser l'exécution de ses commandes de 11%.

Le plus grand accroissement des ventes est venu des marchés des écoles élémentaires et secondaires de l'Ontario et de l'Alberta tandis que de légères pertes étaient subies dans les marchés des bibliothèques publiques et des gouvernements.

22% à 26% dans la section de la distribution des livres, et les prix de vente ont augmenté d'une moyenne de 24% dans les magasins de restaurants du catalogue et au service d'exploitation.

DISTRIBUTION

Farm Show qui se tient annuelle-
ment. En 1976, Design-Craft sera
aussi responsable de la gestion
du Salon de l'industrie électrique
de 1976 à Moncton, Montréal,
Winnipeg, Edmonton et Toronto.
E.I.C. Les Expositions indust-
rielles et commerciales du Ca-
nada, division de Design-Craft,
ourt organise huit expositions
commerciales en 1975 et réalisera
des bénéfices les plus élevés enre-
gistera à ce jour à ce centre de
profit.

Durant l'année, une nouvelle
exposition commerciale a été an-
noncée: la Canadian Trunking
Exhibition. Cette nouvelle expo-
sition aura lieu tous les deux ans
à partir de 1976 et sera organisée
en collaboration avec l'Ontario
plus grande exposition de
Trucking Association.

Design-Craft, Design-Craft a réalisé en 1975, Design-Craft a réalisé des bénéfices les plus élevés de- puis sa création. Elle a loué le ma- tieriel et procure les services né- cessaires à 28 expositions à 28 commerçantes différentes dont six ont été organisées pour le compte des Expositions industrielles et commerciales du Canada et trois autres pour des filia- les de MacLean-Hunter. Design-Craft aussi la gesticion de Lexposition Canada

EXPOSITIONS COMMERCIALES

Des auteurs tels que Bruce Hutton, W. O. Mitchell, James Gray, Robertson Davies, Morley Callaghan, C. P. Stacey, Joseph Schull, Donald Creighton et Hugh MacLennan sont quelques-unes des grands noms de la littérature canadienne dont les œuvres sont publiées par Macmillan. Durant l'année 1975, les deux livres de poésie pour enfants de Dennis Lee intitulés *Nicholas Knock et Alligator Pie*, qui sont présents déjà des classifications canadiennes, continuent à bien se vendre. La société Macmillan dont le titre de principale éditeur des œuvres d'hommes politiques canadiens est devenu traditionnel, a continué de s'affirmer à ce titre en publiant One Canada du très honorable John G. Diefenbaker.

En 1975, les ventes ont atteint, pour la première fois, le sommet de 6 millions. La société a réalisé des bénéfices.

La critique de Macmillan-Hunter dans la publication des livres s'exerce surtout par l'entremise de sa filiale en propriété exclusive, The Macmillan Company of Canada Limited. Macmillan publie des livres se rapportant à tous domaines: des ouvrages commerciaux destinés au marché général des consommateurs; des manuels scolaires pour les écoles élémentaires et secondaires et des ouvrages d'adultes et d'adolescents à but universitaire. La filiale est aussi l'agent canadien d'une série de publications au Canada d'ouvrages d'auteurs canadiens. Le reste des ventes totales provient de la vente d'ouvrages étrangers.

John G. Diefenbaker
ONE CANADA

Un pourcentage d'environ 65% des ventes totales provient de la vente d'ouvrages d'éditions d'éditions étrangères.

MACMILLAN

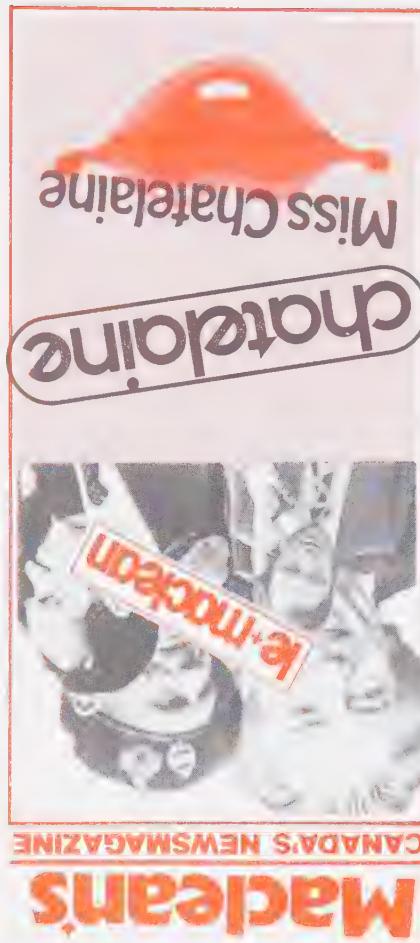
MAGAZINES D'INTERET GÉNÉRAL

Services. Le Service de distribution d'un océan à l'autre qui assure la distribution des magazines aux marchands de journaux, y compris les notres, a réalisé des bénéfices modestes en 1975.

La Division Fine Books vend des livres par publicité. Elle a subi un déficit à cause des deux longues grèves postales de 1975.

M-H Videot, établi pour étudier la possibilité de Maclean-Hunter de se lancer dans la production de bandes magnétoscopiques, a été discontinue de même que M-H Travel, qui avait été établi pour emploier les ressources de Maclean-Hunter afin d'organiser des voyages à forfait.

Recompenées, Mme Doris Anderson, rédactrice en chef de Chatelaine et administratrice de Maclean-Hunter, a été nommée officier de l'Ordre du Canada en 1975. Miss Châtelaïne a reçu un prix Jusdy pour la qualité de son rapportage sur la mode.



Une telle action a été subordonnée à l'lement accru, et des bureaux d'information ont été créés dans tout le pays et à Washington. Cette initiative constitua un fait nouveau significatif pour le Canada: le pays possédait pour la première fois une magasinne d'actualités de haute qualité, produite par des Canadiens pour les Canadiens. La réaction des lecteurs et des amis n'occupeurs a été positive et immédiat-

Pour répondre aux exigences du nouveau format, le personnel de la rédaction a été élargi. Un magazine d'actualités exigé un magazine général mensuel en ligne d'interêt général mensuel en ligne. Il a été transformé d'un magazine à être un magazine d'actualités bimensuel. Un magazine d'actualités exigé un personnel de rédaction nombré et hautement qualifié, une impréssion et une distribution rapide et un volume élevé de publicité pour couvrir les frais.

1975 a été une année de changements importants pour la Division des magazines d'intérêt général. Ces changements, auxquels se sont ajoutés les effets de la grève postale de L'automne, ont engendré un déficit à cette division cette année.

Durant l'année, les listes d'abonnés des magazines d'intérêt général de Maclean-Hunter ont été converties d'un système mailing à un système informatique.

Le projet de loi C-58 créera un véritable au progrès de tous les magasins canadiens actuels et à la création de nouveaux. La so- ciété appuie l'initiative du gou- vernement fédéral dans ce do- maine.

Les magazines d'interêt général de Maclean-Hunter compétent ral de Maclean-Hunter compétent parmi les quelques biens que les Canadiens partagent et dont ils jouissent en commun. Cette seule raison en justifie la protection et la préservation.

Les livres pour les hommes d'affaires, service qu'il commerce- cialise des livres sur les affaires par publication et par l'interme- diaire de Financial Post, a connu un déficit en 1975, mais redéviene rentable cette année. On prévoit que FP Books, qui publie des li- vres, deviendra rentable en 1976. Recompressions. MM. W. L. Dak, Brian Roger, Donald Rum- ball et Robert Hutchison ont été honorés par le National Business Writing Awards en 1975. Mme Anne Bower et M. Sheldon Gor- don ont gagné des prix au con- cours Kenneth R. Wilson Memo- rial, et M. Clive Baxter a reçu une mention honorable. M. Mark rial, et M. Kenneth R. Wilson Memo- rial, et M. Clive Baxter a reçu une mention honorable. M. Mark

Téléphone Canada Ltd, société à participation de 51%, est un nouveau groupe de compagnie de commercialisation par télécriture des bénéfices dans sa première année d'exploitation.

Le Service de recherche et de développement de l'FP procéde à des études d'utilisations spéciales des ordinateurs de gestion commerciales ordinaires. Il présente un projet important de mise en forme de textes par ordinateur. Le volume de traitement des textes a augmenté substantiellement en 1975, et des projets très importants sont en perspective pour 1976. Bien que, de par sa nature, ce service soit non rentable, il présente un potentiel important.

Dans le cadre des conférences de FP, Financial Post a organisé six conférences importantes du 1974. Les conférences étaient à réaliser dans l'année et à répartir des bénéfices.

Les Services informatiques de l'EP offrent aussi des renseignements financiers, mais le plus souvent sous forme assimilable par l'ordinateur. Ses bénéfices ont été largement inférieurs à

Les services de FP sur les entre-
prises vend de l'information sur
ces entreprises et la finance sous
forme d'études, de fiches et de
brochures. Les revenus de ce ser-
vice ont augmenté, mais ses be-
néfices ont diminué.

édonner son premier titre de *Financial Post Magazine*. Cette publication a subi en 1975 son deuxième déficit depuis 1968. *Digest of Canada, publication bi-annuelle destinée aux gestionnaires professionnels de portefeuilles et autres investisseurs importants, a réalisé des bénéfices en 1975 grâce à des résultats nensuélle des titres aux gestionnaires professionnels de portefeuilles et autres investisseurs importants, a réalisé des bénéfices en 1975 grâce à des résultats*



Financial Post continue de se tenir au premier rang des journaux hebdomadiers du Canada. Il n'a pas de concurrence au Canada, mais il a une audience et aux Québécois, à la fois consacrée au commerce, à la finance et aux affaires publiques. Depuis sa fondation en 1907, son succès a été assuré par une précision et une intégrité traditionnelle, les et part des efforts visant parti-culièrement à tenir les Canadiens au courant des nouvelles situations touchant de près leurs affi-tions et leur vie personnelle. Bien que les bénéfices de cette division aient été inférieurs à ceux de 1974, Financial Post a continué, en 1975, d'être une des principales sources de profit de Maclean-Hunter. Le journal a toutefois subi les effets de la grève postale de L'automne. Les revenus publicitaires ont été surrentrés, mais le volume de publicité a diminué de 7%.

En dépit de la grève, la diffu-sion a atteint un nouveau sommet totalisateur, en moyenne, 155 000 exemplaires hebdomadiers pa-yes. Plus de 364 000 personnes lisent maintenant le Financial Post.

REVUES SPÉCIALISÉES

Recompenses. Sept membres du personnel ont été honorés à l'occasion du concours Kenneth R. Wilson Memorial de 1975. Les lauréats sont: MM. John Bellin-ger, David Piper, Al Haslett, Paul Hingram et Tom Weissman. M.M. Dan Fletcher et Jim Vermon ont reçu des mentions honorables. Mille Heather Carswell, membre du personnel de la rédaction de l'Medical Post à Montréal, a reçu un prix de journalisme médical de la Canadian Science Writers Association.

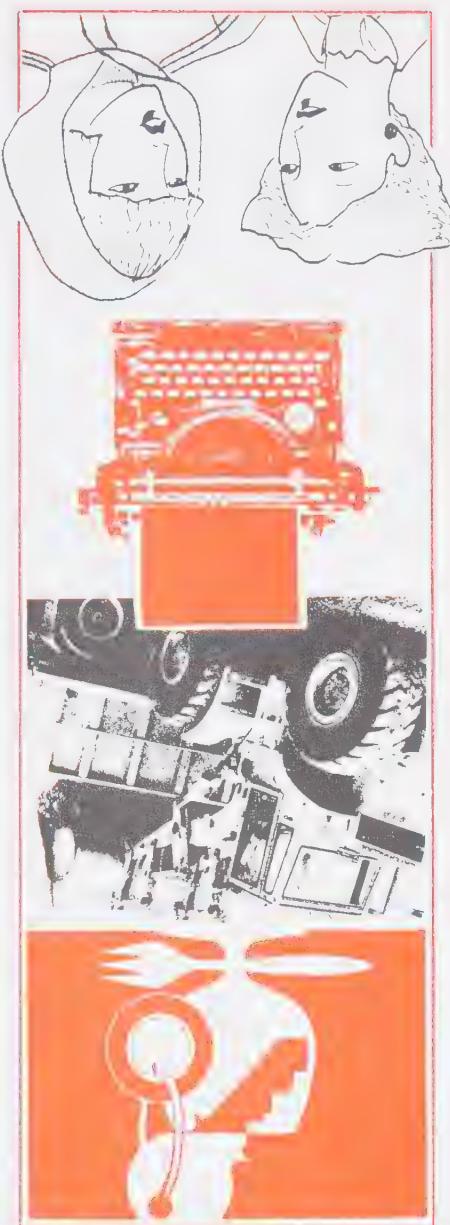
Creative Communications. Ce service offre aux clients des services entiers de publicité, de promotion et de communication. Les revenus ont augmenté de 11%, et les bénéfices ont été supérieurs de 12% à ceux de l'an dernier, et le nouveau service a ainsi atteint un niveau de 12% de bénéfices depuis sa création il y a cinq ans.

Abandons. La publication de l'annuaire Industriel Leasing a été discontinuée en 1976. L'an-nuaire qui constitue un bon concept, pourraient être publiés de nouveau lorsqu'eux-mêmes favorables. Traveler seraient plus conditio-nes à favoriser les touristes étrangers.

Floor Covering News, revue commerciale, créée par Home Goods Retailing, est destinée aux détaillants canadiens de revêtement de sol. Un premier numéro fut publié à titre expérimental en septembre 1975, et la publication régulière commença en janvier 1976.

des entreprises interennes et extrennes. Design-Base System, service offert par Canadian Building, a tete cree pour procurer aux architectes, entrepreneurs en batiment et promoteurs-constructeurs, une serie de dessins d'execution normaux qui reduisent les frais d'execution des plans normaux d'architectes.

Les deux bulletins Canadian Communications Reports et Canadian Interconnection ont été établis en 1975. Ces deux bulletins dévraient rappeler des bénéfices en 1976. Travel Industry Directory, an- nuaire créé par Canadian Travel Council, est une source de renseigne- ments de base pour le person- nel des agences de voyages. Client Publication Services pub- lifie des bulletins spéciaux pour les clients tels que les journaux canadiens de voyages.



Il est beaucoup d'abord une question de nos jours de la nouvelle tendance à s'orienter vers les publications spécialisées. Depuis les 89 ans de son existence, Maclean-Hunter publie des périodiques hautement spécialisés. Depuis les années 80, Maclean-Hunter publie des périodiques hautement spécialisés et publications revues commerciales et professionnelles sont destinées à une classe choisie de lecteurs appartenant à des industries particulières d'un autre océan à l'autre.

Financement de la société. Nous devons être à 270 000 et réduite ainsi à 27 520 000 durant l'année. Sans la grève des postes de L'automne 1975, elle aurait été réduite d'à peu près \$2 000 000 de plus. Floyd S. Chalmers. M. Floyd S. Chalmers est du nombre des cinq personnes qui sont dévenues membres du Canadian News Hall of Fame au cours de 1975. M. Chalmers est entré au service de The Financial Post en 1919, a été président de M-H de 1952 à 1964 et président du conseil jusqu'à sa retraite en 1969. Il demeure administrateur. 1976. Nos projets de 1976 sont l'intensification du perfectionnement une expansion modérée et l'intensification du perfectionnement des entreprises que nous avons dans le travail se-ctes en acquérant d'autres sociétés. Nous croyons que le travail se-cte continue de nouvelles entreprises fondant de nouvelles entreprises en exploitations actuelles. La so-cieté continue de croître en entreprises de profit autonomes. Par- centres de profit autonomies. Parfois, il se connaît une situation où les autres et, à l'occasion, il se con-nue division possèdes-nous une division d'exposition com-merciales, mais notre division d'exposition com-merciales, bien qu'à un degré moindre.

de deduction des importations à des œuvres culturelles et philanthropiques. De plus, un grand nombre d'œuvres de charité régionaient nos maisons. De plus, une application publique ainsi que l'aide d'employés à l'occasion de



APERÇU DE L'EXERCICE 1975



GROWTH IN KAGUYA

La partie la plus importante de l'activité de Maclean-Hunter et celle dont ne font pas suffisamment état les rapports financiers, est le personnel. La croissance de notre entreprise, la qualité de nos produits et la distribution que nous apportons à ce pays témoignent du succès que nous avons obtenu dans l'édition de nos publications. Nous désirons remercier tout le personnel de Maclean-Hunter de l'immense contribution qu'il a apportée à la société durant 1975. Le rapport annuel a été préparé non seulement pour nos actionnaires, mais également pour nos employés qui doivent aussi être partiellement au courant de leur succès.

Au début de 1976, la Société a dégagé le transfert de la participation majoritaire de M. Donald à une autre société de la partie. E. Hunter et sa famille aux membres du conseil administratif. Ce transfert ne pouvait se faire que sous réserve d'un certain nombre de conditions auxquelles le conseil a donné suite. Il permettra à la Société de poursuivre son programme de croissance établi depuis une planification rationnelle.

Ce que nous ne possédons pas de stocks volumineux et comme nous croyons que la Commission européenne a lutté contre l'inflation fréquente, nous avons en effet décidé cette année de ne pas changer nos méthodes compte à jour pour tenir compte de l'inflation.

La création de la Commission de la lutte contre l'infestation par le gouvernement était une initiative nécessaire. La Société Maclean-Hunter appuie le principe de la Commission de lutte contre l'infestation de la faune. La Société Maclean-Hunter appuie le principe de la Commission de lutte contre l'infestation de la faune. Commissio n de la lutte contre l'infestation en tant que mesure rés- trictive exercée à court terme. Bien que les règlements relatifs à la Loi anti-infestation ne soient pas encore parfaits, certains croient que l'initiative du gouvernement a eu un effet effi- cace sur l'économie canadienne.

RAPPORT DES ADMINISTRATEURS



1

Rapport annuel 1975 de Maclean-Hunter

SOMMARE

Apéryu de l'exercice 1975 2	Revenues	1975	1974	\$151,678,000	\$132,309,000	14,6
% - Augmentation ou						
Postes extraordinaire	6,084,000	5,264,000	191,000	1,196,000	4,068,000	15,6
Bénéfice net consolidé comme	5,893,000	5,893,000	191,000	1,196,000	4,068,000	44,9
Dividendes versés	3,9%	3,1%	2,443,000	2,415,000	59,4%	25,8
Pourcentage du bénéfice net consolidé	41,5%	31,7%	2,443,000	2,415,000	59,4%	1,2
Bénéfice par action - Classes A et B	72.4¢	50.6¢	30.0¢	30.0¢	43,1	-
Dividendes par action - Classes A et B	72.4¢	50.6¢	30.0¢	30.0¢	43,1	-
Rente de fonds provenant de l'exploitation	16,139,000	12,854,000			25,6	
Rente de fonds provenant de l'exploitation	16,139,000	12,854,000			25,6	
A la fin de l'exercice	\$1.98	\$1.60			23,8	
Total de l'actif consolidé	112,454,000	102,721,000			9,5	
Nombre d'actions en circulation	8,150,300	26,545,000	28,942,000	8,113,800	0,4	(8,3)
Nombre d'actions, classes A et B, en circulation	8,150,300	26,545,000	28,942,000	8,113,800	0,4	(8,3)
Total de la dette à long terme					13,5	
Avoir des actionnaires par action	\$3,69	\$3,25	\$3,25	\$3,25	0,4	(2,2)
Nombre d'employés	1,218	1,246	1,246	1,246	0,6	0,6
Nombre d'actionnaires	3,993	3,993	3,993	3,993	0,6	0,6

MACLEAN HUNTER

ROPPOTT QUINN 1975



help recover a portion of the losses incurred by the festival.

Also presented for your information is a consolidated statement of source and application of funds for the first six months of this year, with comparative figures for the same period of last year.

As announced last month, we have increased our dividend rate and dividends payable on July 28, 1972, to shareholders of record at July 6, 1972, have been declared as follows:

Class A shares — 6.5c per share.
Class B shares — 5.5c per share. After adding back the special 15% tax on undistributed income the payment is equal to the cash dividend on the Class A shares.

Sincerely,

Donald F. Hunter
Chairman
Donald F. Hunter
President

Report for the six months
ended June 30, 1972

MACLEAN-HUNTER



AR24

Dear Shareholder:

MACLEAN-HUNTER LIMITED
CONSOLIDATED STATEMENT OF INCOME (not audited)

	Three months ended June 30	Six months ended June 30
	1972	1971
Revenue:		
Broadcasting	\$11,805	\$10,712
Broadcasting	2,530	2,227
Cable TV	2,347	1,912
Other activities	4,279	2,934
Total Revenue	\$20,961	\$17,785
Income before income taxes and minority interest	\$ 3,656	\$ 2,548
Income taxes	1,770	1,331
Minority interest	274	121
Income before the following	\$ 1,612	\$ 1,096
Add: Share of net profits of 50% owned affiliated companies	19	9
Income before extraordinary items	\$ 1,631	\$ 1,105
Extraordinary items	—	12
Consolidated net income	\$ 1,631	\$ 1,117
Dividends paid — Class A shares	\$ 153	\$ 180
Dividends paid — Class B shares — net of 15% tax	310	153
Per share data:		
Income before extraordinary items	20.4c	13.8c
Extraordinary items	—	.1c
Consolidated net income	20.4c	13.9c
Dividends paid — Class A shares	6.50c	4.50c
Dividends paid — Class B shares	5.50c	3.82c

CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS (not audited)

Source of Funds:

Operations—	Six months ended June 30 1971
Consolidated net income	\$ 2,600
Decrease in unearned publishing revenue (net)	\$ (298)
Depreciation	1,385
Deferred income tax	547
Minority interest	452
Share of profits of 50% affiliated companies	(51)
Total funds from operations	\$ 4,635
Increase in long term debt	—
Long term debt of subsidiaries acquired	174
Proceeds from public offering of subsidiary shares	3,310
Total source of funds	\$ 11,259

Application of Funds:

Additions to properties (net)	\$ 1,863
Additions to goodwill	1,584
Repayment of long-term debt	6,450
Redemption of preference shares of subsidiary company	457
Increase in investments	222
Dividends	835
Tax paid on undistributed income	82
Subsidiary company dividends paid to minority interest	140
Total application of funds	\$ 6,061
Increase in working capital	\$ 5,198

As shown in the accompanying unaudited consolidated statement of income, revenue for the second quarter of this year increased 17.8% to \$20,961,000, compared with \$17,785,000 for the same period last year. Consolidated net income for the quarter increased to \$1,631,000, or 20.4c per share, an increase of 46% over last year's second quarter consolidated net income of \$1,117,000, or 13.9c per share.

For the first six months of this year consolidated net income was \$2,600,000, or 32.5c per share, an increase of 63% over the \$1,595,000, or 19.9c per share for the comparable period last year.

We are extremely pleased with this year's results to date, with the major contribution of profit improvement coming from our Canadian-based publishing operations. As we look toward the next six months we feel confident that operations should continue at the present pace.

We are disappointed with the CRTC decision denying CFCN-TV's application to provide alternate television service to Red Deer, Alberta.

In June, Maclean - Hunter Cable TV Limited's subsidiary AirTel Limited acquired 100% of the shares of Quest Communications Limited, a company operating in Hamilton and the Niagara Peninsula, in the telephone answering, mobile radio and personal paging business. As part of the purchase price, AirTel issued additional shares to the extent that AirTel became an 80% owned (formerly wholly owned) subsidiary of Maclean-Hunter Cable TV Limited. AirTel Limited is now in the process of changing its name to Maclean-Hunter Communications Ltd. The former Maclean - Hunter Communications Limited, which was a wholly owned subsidiary of Maclean-Hunter Limited, will become M-H Communications Limited.

The Columbia record album "Joplin In Concert", featuring the late Janis Joplin, has been on Billboard's Hit Parade for the last 11 weeks and for seven of those weeks in 4th or 5th position. The album contains music recorded at the 1970 Rock Festival, which was sponsored by your company. Royalties will accrue to the company and will